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INTERNATIONAL DIFFERENCES IN FACTORS AFFECTING LABOUR MOBILITY.

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THE GEOGRAPHICAL, OCCUPATIONAL, AND INTERFIRM MOBILITY, AND THE FACTORS AFFECTING THESE MOVEMENTS FOR WORKERS IN FRANCE, ITALY, GERMANY, AND SWEDEN IN THE PERIOD SINCE THE SECOND WORLD WAR ARE STUDIED. DATA OBTAINED FROM INDUSTRIAL SURVEYS AND GENERAL CENSUSES WERE USED TO COMPARE THE FOUR COUNTRIES WITH EACH OTHER AND WITH THE UNITED STATES. INDUSTRIALIZED WESTERN EUROPE NOW EXPORTS LITTLE MANPOWER TO OTHER CONTINENTS AND, IN FACT, IMPORTS FOREIGN WORKERS FROM AFRICA OR MEDITERRANEAN EUROPE. THE INTERNAL MIGRATIONS IN THE UNITED STATES AND THE FEDERAL REPUBLIC OF GERMANY HAVE BEEN SIMILAR WITH SOMEWHAT LESS MIGRATION IN FRANCE AND ITALY. ALLOWING FOR THE DIFFICULTIES INHERENT IN INTERNATIONAL COMPARISONS, IT APPEARS THAT OCCUPATIONAL MOBILITY IS NO HIGHER IN THE UNITED STATES THAN IN THE EUROPEAN COUNTRIES. THE MOBILITY RATES BETWEEN FIRMS ARE SIMILAR IN GERMANY AND THE UNITED STATES, BUT SWEDEN HAS HIGHER AND ITALY AND FRANCE LOWER RATES THAN THE UNITED STATES AND GERMANY. FACTORS AFFECTING GEOGRAPHICAL MOBILITY WERE REGIONAL WAGE DIFFERENTIALS, REGIONAL DIFFERENCES IN UNEMPLOYMENT, AVAILABILITY OF HOUSING, AND CHANGE IN TRADE UNION ATTITUDES. THE APPENDIX PRESENTS 12 STUDIES OF SPECIFIC CASES OF LABOR MOBILITY IN FIRMS IN FRANCE, WEST GERMANY, AND ITALY. (HC)

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NOTE

This study has been carried out by Professors F. Sellier and C. Zarka, both of the Université d'Aix-Marseille, Aix-en-Provence, France, under the direction of Mr. N.N. Franklin, Economic Adviser, I.L.O.

Occasional references in the text to "Project G" relate to a second related project carried out for the U.S. Department of Labor, "Redundancy Procedures in Selected Western European Countries" (AUT/ECON/2).

In this study, attention has been directed primarily to France, the Federal Republic of Germany, Italy and Sweden. Some statistical and other data relating to other Western European countries have also been included. There is only brief reference to developments in the United Kingdom since information on that country is readily available.

The body of the report contains a review of material concerning specific countries and a summary and conclusions. The appendix presents 12 studies of specific cases examined in the course of preparing the report.

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INTRODUCTION

During the 1950s it appeared that the return to a situation of full employment in most of the European industrialised countries was bound to raise new problems for the authorities. Though less acute than those which arose out of the mass unemployment during the Great Depression, these problems nevertheless had a certain acuteness which must be briefly recalled.

There was one current of opinion, derived from Keynes and Beveridge, which came to consider that an irreducible unemployment rate of some 3 per cent. of the total labour force was normal. This would serve to facilitate the indispensable transfers of labour from sectors that were declining, stagnant or not showing much progress to the more dynamic sectors and would thus promote growth. Public opinion soon thought this rate excessive and experience has proved it so. Average rates of unemployment in many Western European countries have been much below this for many years. In general a cause for great satisfaction, this situation nevertheless gives rise to various kinds of concern - dangers of inflation, bottlenecks in certain sectors or lack of skilled labour, difficulties in the way of appreciably prolonging the time spent at school and/or the vocational training of young people (attracted by relatively high wages), etc. .....

Although on the global scale full employment - and even perhaps a certain measure of "over-employment" - marked the economy of numerous Western countries, it is also true that in a certain number of sectors or regions which were in absolute or relative decline, there was a surplus of labour whose reconversion was not necessarily assisted by the economic development. Psycho-sociological resistance by the workers was not easily overcome by the authorities. In particular, there were cases of early retirement of workers displaced by the effects of technical progress and by changes in consumers' tastes, and at the same time mass immigration of workers from other regions or countries, who accepted the jobs offered them in the growth sectors.

The object of the present survey is to review the movements of workers from the triple viewpoint of geographical mobility, occupational mobility and mobility between firms, and the factors affecting these movements. This study is limited to the movements in the period since the Second World War and to the highly developed Western countries. Particular attention will be devoted to France, Italy, the Federal Republic of Germany and Sweden, and efforts will be made to compare experience in these four countries not only with each other but also with the United States of America.

During this brief introduction we propose, first to explain the notion of "mobility of labour" as used here, and secondly to describe the general structure of the report.

The Concept of Mobility

I.

The concept of "labour mobility" as used in scientific literature calls to mind a great number of situations which, it is true, have a certain affinity but which nevertheless differ in reality. The ambiguity is usually set aside by using the term mobility with a qualification, such as horizontal and vertical mobility, social mobility, geographical mobility, occupational mobility, mobility between firms or between industries, etc.

There is even a tendency to be more precise by employing longer expressions.

In sociological literature reference is frequently made, for example, to social mobility from one generation to another - often it is a matter of rising in the social scale, the "status" of the children being regarded as higher than that of the parents, according to subjective or objective criteria.

Geographical mobility has various aspects which may even represent situations of a quite different nature. For example, a study by the E.C.S.C.[1] recalls the importance of daily or weekly mobility in the Europeen industrial countries in showing the situation of workers who leave their homes for a day or a week and make use of various means of transport.[2] Mobility may also of course be seasonal, annual or multi-annual (the migrant worker returning, or hoping to return, to the place he went away from after a longer or shorter space of time) or, at the other end of the spectrum, a final change of residence.

Still on the subject of geographical mobility, a worker may change his residence while remaining in the same district of the town, or may change his district, municipality, county (or canton, province or "area"), region (or department, "Land", state of a federation or confederation), country and/or continent. Each of these situations expresses a quite specific psychological, social and economic reality; accordingly it is indispensable to specify the types of geographical mobility which will be dealt with in the present study.[3]

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[1] E.C.S.C. Obstacles à la mobilité des travailleurs et problèmes sociaux de réadaptation. Studies and documents, preface by Paul Finet, 1956.

[2] It is preferable to speak of commutation in cases in which the workers do not change their residence.

[3] Cf. below.

The same remark applies to what is known as occupational mobility. This expression is so vague that it in fact covers different situations. Here is a list which is by no means exhaustive.

A worker who keeps to the same kind of work in the same undertaking throughout his life often enjoys in the course of time a limited advancement in grade.

Or he may experience promotion involving a change of functions and/or categories; he may assume greater responsibilities by becoming for example a foreman.[1]

Another case of occupational mobility concerns a skilled worker who retains and uses his skill while changing from one shop to another in the same establishment, or from one establishment to another in the same undertaking, or from one undertaking to another within the same industry, or from one industry to another in the same branch of activity, etc.

A further type of mobility relates to the involuntarily unemployed who join the active population at work (or vice versa), the military conscripts who become part of the civilian manpower, whether employed or not (and vice versa), the voluntarily non-employed (for example married women) who join the working population (or who leave it), etc.

A worker may change his skill, for whatever reason, freely or under the pressure of necessity, and thus become occupationally mobile, changing or not changing his shop, establishment, undertaking, industry, branch of activity, etc.

Often a distinction is made between potential mobility (sometimes an aptitude for or propensity to mobility is mentioned) and actual mobility.[2]

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[1] More rare of course are the cases of spectacular rises; they more often affect middle management than workers and subordinate salaried employees.

[2] "Latent mobility" is the term used by Clark Kerr as a synonym for potential mobility.

In a recent study Dr. Walter Schlotfeldt of the Federation of German Employers' Associations writes:

"To avoid any confusion, I should like to define at the outset what is understood by the term 'mobility' in this report. 'Mobility' does not mean the fact that a worker migrates or changes his job or occupation. It means the capacity or the ability of a worker to accept and fulfil the requirements of a new job or a new occupation.

(footnote continued on p. 4)

II.

The present study does not attempt to deal with all the cases of mobility which have just been mentioned. It is concerned with those types of labour mobility that are of greatest importance for the labour market.

This means that the following cases in particular will be excluded:

(1) the social mobility known as vertical[1] which interests the psycho-sociologist or the historian and relates either to the comparative study of the status of successive generations, or to the social rise or decline of a single individual or group of individuals;

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[2] (footnote continued from p. 3)

This capacity has to be understood as including the subjective or personal qualifications as well as the objective possibilities.

"In the strict sense of the definition, 'geographical mobility' means the capacity to work in the same occupation in another place, village or region, and 'occupational mobility' the capacity to change from one occupation to another."

(O.E.C.D., International Joint Seminar on Geographical and Occupational Mobility of Manpower, Castelfusano, 1963, Final Report (Paris, 1964), p. 179.)

We cannot make use of this basically psychological conception, for lack of information about propensities to move. What interests us here is the real movement, historically observed and statistically measured. But we freely admit that there is an indisputable correlation between latent or potential and actual mobility - every socio-occupational group and every nation has a propensity to mobility (of a particular type) which influences its actual mobility. When it is found, as in some of the comparisons in this study, that actual mobility among members of two different groups is rather similar, it is well to recall that this is no proof of equal or closely similar propensities to move. A similarity in observed rates of movement may just as easily be produced by a fortuitous combination of a stronger (or weaker) propensity to move in one group encountering stronger (or weaker) obstacles to doing so.

[1] In passing, the ambiguity of this term may be noted. By "vertical mobility" the economist sometimes means a rise in grade or category, which is different from the vertical mobility of the sociologists.

(2) the "daily" or "weekly" geographical mobility, which raises problems of town planning and particularly of the infra-structure of communications and transport[1];

(3) nor will changes of domicile within the same municipality be considered, even though these may have more or less significant social, political and economic causes and consequences[2];

(4) upgradings and promotions, when these can be regarded as normal and habitual, will not be taken into consideration.

Thus, we propose to examine three fundamental types of mobility. First, geographical mobility taking the form of a change of residence at least from one municipality to another; sometimes seasonal movements cannot be separated out from the more permanent changes of residence which it is our purpose to study. Then occupational mobility will be examined, and by this expression will be meant either the passing of a worker from one sector of activity to another or a change of trade; without overlooking the fact that these are two quite different things, we are obliged to study mainly inter-sectoral mobility because of the scarcity of data about occupational mobility not including a change of sector. Finally, the question of mobility between undertakings, i.e., a change of employers, will be taken up.

III.

At the outset of this inquiry it may be asked whether it would not have been preferable, for the sake of clarifying the concepts, to avoid using the very term "mobility", since, as has just been seen, it must always be qualified. "Mobility" without qualification has different connotations for different people.

Very often the economist thinks of certain beneficent consequences of occupational mobility, and the term "mobility" evokes for him the problems of adaptability of labour to technological changes in production, to variations in internal demand, to changes in the currents of international trade, and so on.

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[1] It is however true that if his home and place of work are far apart, a worker may decide to change his job (labour turnover) or his residence (geographical mobility). The problem of housing plays a big part in this connection.

[2] A change in the district of residence is often the sign of a rise in the social scale. If the movement is a very large one it may have important electoral consequences.

At the same time, the employer to whom one speaks of mobility of labour will often think only of the rates of turnover of the workers, which he is apt to consider excessive, of the instability of labour, of the forcing up of labour costs by competitors, etc.

As for the workers, many tend to think of mobility as geographical mobility alone.

Accordingly, it will not be surprising to find that if the question is put: "Are you in favour of greater mobility of labour?" the economist will answer "Yes", while the employer and the worker will resolutely reply in the negative but for different reasons founded upon personal interpretations of the concept of mobility.

This question is not merely one of semantics, for it has often been noted that positions which had been taken up had their origin in the unsuspected ambiguity of a word. Therefore we were tempted to refrain from using the terms geographical, occupational and inter-firm mobility and to replace them respectively, by changes of residence (or migrations), changes in labour activity, and labour turnover.

This would have had two drawbacks. On the one hand, we should have abandoned a terminology used in the most recent scientific literature. On the other hand and above all, we should have given the impression that we did not have in mind the obvious interrelations between the three types of mobility under consideration: it is of course known that most migrant workers (internal or international) are obliged to or wish to change their occupation and/or their firm, industry and branch of activity; it is also known that the turnover rates between firms are in general higher in the most unstable, least firmly rooted and least skilled groups of workers, which are the very ones made up of the most recent migrants.

We have therefore decided, on reflection, to use the terms most currently employed, taking care however to explain whenever necessary the type of mobility in mind.

IV.

In an interesting paper submitted to a Conference on Employment Problems of Automation and Advanced Technology[1], Professor J.H. Smith suggested a distinction between "bridging" and "closing" occupations.[2]

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[1] International Institute for Labour Studies, Geneva, July 1964, I.L.O.

[2] J.H. Smith, "Labour Mobility in Advanced Technological Societies", (mimeographed paper CEPA/III/4).

"Bridging occupations, for example, are those providing through work experience the conditions and opportunities for movement across occupational frontiers. Attributes developed in the bridging occupation include resocialisation (exposure to new influences), independency (severing of ties to kin or community), a relatively high standard of health or bearing, access (to influential or useful people), financial competence (skill in managing or acquiring resources). The mark of a bridging occupation, as in the examples of domestic servants, the military, school teachers and others, is that it develops attributes that are marketable in another type of employment.

"Closing occupations, by contrast, tie workers to narrow lines of employment, since the skills associated with them are linked to one particular activity and even to one particular place, as in the case of miners, farm workers or fishermen."[1]

Similarly, it is possible to speak of bridging or closing occupations according to whether a group of workers possesses or does not possess attributes that are easily marketable in other places - it would indeed be a mistake to imagine that the geographical mobility of workers is an exceptional phenomenon. Many people when choosing a particular trade or employer accept the idea that they must often change their residence during their working life. Examples are regular soldiers, many civilian officials (beginning with the diplomatic corps), those employed on building and public works (construction of engineering works - tunnels, bridges, motor roads), etc.

The existence of numerous "closing occupations" excludes any possibility of speaking of a national labour market. On this point a contemporary specialist, Professor Clark Kerr, may be quoted -

"Economists once spoke of the labor market. Each worker competed with all other workers for jobs and each employer with all other employers for workers (...) The non-competiting groups of Cairnes were the several socio-economic classes (manual, white-collar, professional workers and so forth). We have found, however, that each of these classes is composed in turn of many largely non-competiting groups (...) Thus there are markets and submarkets, all more or less inter-related with each other."[2]

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[1] Page 14.

[2] C. Kerr, "The Balkanisation of Labor Markets", in Labor Mobility and Economic Opportunity, J. Wiley and Sons, 1954.

As was noted by Hicks in 1935[1] potential mobility plays an important part in the building up of an inter-related wage structure. The question of how effectively actual mobility makes for the equalisation of remuneration (for given skill levels - how effectively), in other words, the "balkanisation of labour markets" is tempered by the workers' geographical, occupational and inter-undertaking movements, is a question which must at least be raised. So also is the question, whether the capacity to facilitate the "transferability of specific skills" is greater in certain countries than in others.[2]

Arrangement of the Report

The plan of this study is dictated by a desire to rely essentially on the least disputed facts. We have therefore wanted to use the inductive method before suggesting a few explanations and attempting to assess the part played by certain factors which have influenced the movements of labour. Economic and social reality is so complex, it has been (especially in Western Germany and France) subjected to so many causes of non-economic origin (notably the influx of refugees) that the explanation of the facts observed is a very complex task, towards which the present report does not claim to make more than a modest contribution. A first part will be devoted to the assembly and systematic presentation of the available statistics, drawn particularly from the post-war population censuses and a few industrial surveys. A second part will set out the measures taken in four European countries (France, Italy, Germany and Sweden) with the object of improving the geographical and occupational mobility of labour; this part will include the multinational policies and in particular those resulting from the treaties setting up the European Coal and Steel Community and the European Economic Community (E.C.S.C. and E.E.C.). It is only in the third part that we shall attempt to weigh the influence of the principal factors which explain labour mobility. Part IV contains a brief summary and conclusions.

It may finally be added that the authors of the present report have had the opportunity to make various contacts with European firms of very different degrees of importance - the results of some of these interviews are given in an appendix, which is presented as Section 2 of this report.

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[1] The Theory of Wages.

[2] The happy expression "transferability of specific skills" is taken from Herbert S. Parnes, Research on Labor Mobility (pp. 13 and 14).

PART I: LABOUR MOBILITY : A STATISTICAL SURVEY

INTRODUCTION

The presentation of the main facts concerning the mobility of labour is the aim of the first part of the present study. We shall rely in the main on the statistical data concerning the Western countries and more particularly the United States, the Federal Republic of Germany, Italy and France, taking the period subsequent to 1950. This will give us the opportunity to compare the most recent surveys and industrial or general censuses.

As will no doubt be observed, statistics are not lacking; indeed, there is almost a temptation to complain about their abundance, which sometimes leads to certain contradictions due to differences in the definitions of the categories measured. Accordingly, one of our first cares has been to synthesise the statistical observations and to make the figures as homogeneous, and therefore as comparable, as possible. Our aim has been to classify the countries according to the intensity of mobility of their labour in each of the three spheres - geographical, occupational and between firms. This classification will be suggested at the end of each of the following three chapters:

Chapter 1: Geographical mobility

Chapter 2: Occupational mobility

Chapter 3: Labour turnover between the undertakings

*

* *

CHAPTER 1

GEOGRAPHICAL MOBILITY

The last 20 years have been marked by a very profound change in the currents of migration. Between the nineteenth century and the period following the Second World War, major events took place whose consequences have been of great importance. In the nineteenth century Europe, which was making conquests but which, considering its degree of industrialisation, was overpopulated, easily found outlets for its demographic surpluses. Europeans went not only to the United States and "White Dominions" but also to colonial territories, particularly in Africa and to a lesser extent in Asia.[1] At the end of the war it might have been thought that a Europe now exhausted would again be the theatre for massive emigration - Italy showed all the characteristics of an overpopulated country, Western Germany, half destroyed, had lost much territory, and it might have been feared that the United Kingdom would suffer a structural depression as the consequence of a complete reconversion of its activities.

Against all expectations, Western Europe, and more especially its industrial heart (Eastern France, Western Germany, Benelux and the United Kingdom) with the powerful aid of American gifts and long-term credits, experienced a very remarkable economic development - which was facilitated by various processes of economic unification (E.C.S.C., E.E.C., E.F.T.A., etc.).

In Western Europe as a whole it is clear that the manpower needs very largely outweighed the depressive trends which threatened the labour market in the wake of rapid technological progress. Between 1950 and 1960, for example, the economically active population increased by 24 per cent. in Western Germany, by nearly 15 per cent. in the Netherlands and by 14 per cent. in Switzerland. The immigration of labour may therefore be explained simply by the needs of economic development. But there was more than this: political decolonisation in Asia and Africa was rapidly accompanied by an economic decolonisation. Massive transfers of capital from overseas to the old European metropolitan countries, and the return of Europeans, increased the economic prospects of the old industrialised countries of Western Europe. There was a movement exactly the reverse of that of the nineteenth century. As, moreover, since 1950-1955 economic growth has in general taken place, accompanied by full employment (and often over-employment), at a much faster rate than in the United States or Canada, it is easy to understand that emigration to North America has been of little importance.

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[1] On this point see the article by Professor Alfred Sauvy, "Le renversement du courant d'immigration séculaire - Considérations générales et perspectives pour l'ensemble Europe-Méditerranée". Population (Paris) 1962, No. 1, pp.51-59.

This explains therefore that the demographic movements of concern to Western Europeans have resulted in net immigration. In addition, in spite of the upheavals of decolonisation, the links forged with the former colonies, and often the facilities which have been accorded them by right and/or de facto, have induced hundreds of thousands of unskilled workers from Africa (especially North Africa) Asia and the Caribbean (more particularly Jamaica) to seek and find unskilled jobs in European countries. Between 1950 and 1961 the net immigration movement in all the European countries of the O.E.C.D. shows a balance of nearly a million persons.[1]

The first section below will be devoted to a general survey of international migration in O.E.C.D. countries, followed by a section 2 on international and internal movements in a small number of selected countries. An attempt to compare the statistics will be made in a third and final section.

Section 1. All Countries of the O.E.C.D.: General Examination of International Migration

These nations still have widely differing standards of living (the per capita income of Sweden is five or six times greater than that of Turkey) and rates of growth; for example, between 1950 and 1958 per capita income increased by 6.4 per cent. per annum in Western Germany, 3.6 per cent. in France, 3 per cent. in the Netherlands and 1.8 per cent. in the United Kingdom. Among the countries of Southern Europe (Portugal, Spain, Italy, Greece and Turkey) only Italy achieved an appreciable performance between 1950 and 1958, and since that time Greece and Spain have been progressing quite noticeably. In spite of these facts the southern countries do not yet dispose of the capital per head of the population which would be necessary to ensure full employment. If it is not impossible that such an objective can be attained within five or ten years, it nevertheless remains true that in the more immediate future Southern Europe will continue to feed the labour market of industrial Europe.

---

[1] For all the countries of the O.E.C.D., excluding Japan but including the United States and Canada, the net migratory balance was nearly six million from 1950 to 1961. In 1962 and 1963 more than one and a half million persons must be added, including nearly a million French people from Algeria.

The statistics may now be examined a little more closely. Table I-1-1 shows the demographic changes in the countries of the O, period 1950-1961 (or wherever possible 1950-1962) natural growth, net migrations and total increase in the resident population. Cl immigration this total increase equals the sum of the first two components, whereas in the case of the countries of emigration it is

Table I-1-1 Annual Population Changes (1950-61 and 1950-62) Countries of the O.E.C.D.

Line 1 - natural growth

Line 2 - net migration (and statistical adjustments)

Line 3 - total population increase

Table I-1-1

(thousands) Source: O.E.C.D. Manpower Statistics 1950-62

Countries	1950	51	52	53	54	55	56	57	58	59	60	61
Austria												
1	22	15	20	20	19	24	29	30	34	36	36	46
2	-33	-5	-7	-10	-13	-18	-15	-11	-13	-2	-5	-1
3	-11	10	13	10	6	6	14	19	21	34	31	45
Belgium												
1	39	35	43	40	43	41	42	45	50	57	42	52
2	-10	14	12	0	0	15	13	30	2	-7	7	-1
3	29	49	55	40	43	56	55	75	52	50	49	51
Luxembourg												
1	0.7	0.7	0.9	0.9	1.3	1.2	0.9	1.2	1.5	1.4	1.3	1.5
2	1.1	1.1	1.0	0.9	0.6	0.6	0.9	0.7	0.3	0.4	0.6	3.1
3	1.8	1.8	1.9	1.8	1.9	1.8	1.8	1.9	1.8	1.8	1.9	4.6
Denmark												
1	41	39	38	39	36	38	37	33	33	32	32	33
2	-7	-10	-4	1	-1	-8	-12	-11	-2	2	3	1
3	34	29	34	40	35	30	25	22	31	34	35	3
France												
1	326	261	298	248	292	279	261	284	312	320	299	33
2	20	30	19	19	51	120	170	220	140	130	140	18
3	348	291	317	267	343	399	431	504	452	450	439	51
Germany (Fed. Rep.)												
1	289	259	263	229	273	252	271	293	322	360	340	39
2	378	113	48	348	220	308	329	379	294	176	329	41
3	667	372	311	577	493	560	600	672	616	536	669	81
Greece												
1	97	97	97	87	96	99	99	94	97	99	98	8
2	-16	-13	-12	-7	-21	-30	-34	-23	-16	-22	-26	-2
3	81	84	85	80	75	69	65	71	81	77	72	61

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[1] Japan will not be taken into consideration in the following pages. It has moreover been a member of the O.E.C.D. only since

tle more closely. Table I-1-1 shows the demographic changes in the countries of the O.E.C.D., giving for each year of the 962) natural growth, net migrations and total increase in the resident population. Clearly, in the case of countries of m of the first two components, whereas in the case of the countries of emigration it is equal to their difference.[1]

-61 and 1950-62) Countries of the O.E.C.D.

tments)

Source: O.E.C.D. Manpower Statistics 1950-62

53	54	55	56	57	58	59	60	61	62	Total Balance 1950-62	 Net 1950-61
20	19	24	29	30	34	36	36	46	42	373	331
-10	-13	-18	-15	-11	-13	-2	-5	-1			-133
10	6	6	14	19	21	34	31	45			198
40	43	41	42	45	50	57	42	52	40	569	529
0	0	15	13	30	2	-7	7	-1	21	96	75
40	43	56	55	75	52	50	49	51	61	665	604
0.9	1.3	1.2	0.9	1.2	1.5	1.4	1.3	1.5	1.1	14.6	13.5
0.9	0.6	0.6	0.9	0.7	0.3	0.4	0.6	3.1			11.3
1.8	1.9	1.8	1.8	1.9	1.8	1.8	1.9	4.6			24.8
39	36	38	37	33	33	32	32	33	33	464	431
1	-1	-8	-12	-11	-2	2	3	3	-5	-51	-46
40	35	30	25	22	31	34	35	36	28	413	385
248	292	279	261	284	312	320	299	338	291	3,811	3,520
19	51	120	170	220	140	130	140	180	860	2,099	1,239
267	343	399	431	504	452	450	439	518	1,151	5,910	4,759
229	273	252	271	293	322	360	340	398	387	3,936	3,549
348	220	308	329	379	294	176	329	415	285	3,622	3,337
577	493	560	600	672	616	536	669	813	672	7,558	6,886
87	96	99	99	94	97	99	98	86	86	1,232	1,146
-7	-21	-30	-34	-23	-16	-22	-26	-25			-245
80	75	69	65	71	81	77	72	61			901

ation in the following pages. It has moreover been a member of the O.E.C.D. only since 1964.

Table I-1-1 (Contd.)

Countries	1950	51	52	53	54	55	56	57	58	59	60	6
Iceland												
1	2.8	2.9	3.0	3.2	3.2	3.4	3.4	3.5	3.5	3.6	3.7	3.
2	-0.3	-0.4	-0.6	0.4	0.3	0.1	-0.2	0.6	-0.1	0.1	-0.3	-0.
3	2.5	2.5	2.4	3.6	3.5	3.5	3.2	4.1	3.4	3.7	3.4	2.
Ireland												
1	26	21	30	28	27	25	27	27	26	26	28	2
2	-37	-27	-35	-34	-41	-46	-45	-50	-45	-36	-43	-3
3	-11	- 6	- 5	- 6	-14	-21	-18	-23	-19	-10	-15	-
Italy												
1	457	379	369	366	429	422	384	402	421	456	442	46
2	-77	-99	-143	-82	-103	-131	-137	-122	-125	-122	-205	-177
3	380	280	226	284	326	291	247	280	296	334	237	28
Netherlands												
1	153	151	156	147	149	148	146	151	152	156	152	159
2	20	-23	-48	-32	-20	- 6	-11	-12	30	-17	-13	6
3	173	128	108	115	129	142	135	139	182	139	139	165
Norway												
1	32	33	35	35	34	35	34	32	31	31	29	30
2	- 2	- 2	- 2	- 1	- 1	- 2	- 2	0	- 1	- 1	- 2	0
3	30	31	33	34	33	33	32	32	30	30	27	30
Portugal												
1	102	102	110	105	103	110	96	110	121	115	119	118
2	-48	-67	-70	-69	-67	-66	-65	-75	-67	-67	-68	-32
3	54	35	40	36	36	44	31	35	54	48	51	86
Spain												
1	258	239	315	309	312	323	316	350	390	383	393	390
2	-41	- 3	-77	-69	-69	-79	-70	-101	-140	-130	-138	-133
3	217	236	238	240	243	244	246	249	250	253	255	257
Sweden												
1	45	40	42	40	36	39	38	34	34	34	27	31
2	11	17	10	2	6	16	13	14	7	-1	8	13
3	56	57	52	42	42	55	51	48	41	33	35	44
Switzerland												
1	38	32	36	33	35	35	36	40	42	43	42	48
2	17	28	29	24	16	23	37	37	24	39	76	101
3	55	60	65	57	51	58	73	77	66	82	118	149
Turkey												
1												
2												
3	450	687	585	599	615	632	706	727	748	771	801	784

53	54	55	56	57	58	59	60	61	62	Total	
										Balance 1950-62	Net 1950-61
3.2	3.2	3.4	3.4	3.5	3.5	3.6	3.7	3.3	3.5	43.0	39.5
0.4	0.3	0.1	-0.2	0.6	-0.1	0.1	-0.3	-0.5	-0.6	-1.5	-0.9
3.6	3.5	3.5	3.2	4.1	3.4	3.7	3.4	2.8	2.9	41.5	38.6
28	27	25	27	27	26	26	28	25	28	344	316
-34	-41	-46	-45	-50	-45	-36	-43	-30			-469
- 6	-14	-21	-18	-23	-19	-10	-15	- 5			-153
366	429	422	384	402	421	456	442	462	431	5,420	4,989
-82	-103	-131	-137	-122	-125	-122	-205	-177	-181	-1,704	-1,523
284	326	291	247	280	296	334	237	285	250	3,716	3,466
147	149	148	146	151	152	156	152	159	152	1,972	1,820
-32	-20	- 6	-11	-12	30	-17	-13	6	17	- 109	- 126
115	129	142	135	139	182	139	139	165	169	1,863	1,694
35	34	35	34	32	31	31	29	30	29	420	391
- 1	- 1	- 2	- 2	0	- 1	- 1	- 2	0	0	-16	-16
34	33	33	32	32	30	30	27	30	29	404	375
105	103	110	96	110	121	115	119	118	123	1,434	1,311
-69	-67	-66	-65	-75	-67	-67	-68	-32	-55	- 816	- 761
36	36	44	31	35	54	48	51	86	68	618	550
309	312	323	316	350	390	383	393	390	378	4,356	3,978
-69	-69	-79	-70	-101	-140	-130	-138	-133	-119	-1,169	-1,050
240	243	244	246	249	250	253	255	257	259	3,187	2,928
40	36	39	38	34	34	34	27	31	30	470	440
2	6	16	13	14	7	-1	8	13	9	125	116
42	42	55	51	48	41	33	35	44	39	595	556
33	35	35	36	40	42	43	42	48	49	509	460
24	16	23	37	37	24	39	76	101	108	559	451
57	51	58	73	77	66	82	118	149	157	1,068	911
599	615	632	706	727	748	771	801	784			8,105

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Table I-1-1 (contd.)

Countries	1950	51	52	53	54	55	56	57	58	59	60	6
United Kingdom												
1	228	164	219	227	217	193	227	260	267	273	315	305
2	-16	23	-66	-63	-46	-11	- 9	-40	-18	62	69	14
3	212	187	153	164	171	182	218	220	249	335	384	45
Canada												
1	248	255	278	290	311	315	319	332	335	339	339	335
2	15	152	127	133	119	69	114	223	76	53	43	7
3	263	407	405	423	430	384	433	555	411	392	382	342
United States												
1	2,177	2,344	2,421	2,457	2,613	2,591	2,672	2,691	2,623	2,650	2,601	2,627
2	310	344	242	260	285	335	386	271	292	290	325	350
3	2,487	2,688	2,664	2,717	2,898	2,925	3,058	2,962	2,915	2,940	2,926	2,977
Totals												
A. Immigrants												
(1) All countries except Turkey	772.1	722.1	488.0	788.3	697.9	886.7	1062.9	1175.3	865.3	752.5	1000.6	1224.
(2) All countries except Turkey, Canada and United States	447.1	226.1	119.0	395.3	293.9	482.7	562.9	681.3	497.3	409.5	632.6	867.
B. Emigrants	287.3	249.4	464.6	367.0	382.0	397.0	400.2	445.0	427.1	405.0	500.3	399.

From these figures it emerges that altogether, and considering only the net migratory balance for the whole of the
nine countries had a positive migratory balance and ten others a negative balance. Table I-1-2 shows the extent of
emigration (our own calculation).

53	54	55	56	57	58	59	60	61	62	Total	
										Balance 1950-62	Net 1950-61
227	217	193	227	260	267	273	315	305	342	3,237	2,895
-63	-46	-11	- 9	-40	-18	62	69	146			31
164	171	182	218	220	249	335	384	451			2,926
290	311	315	319	332	335	339	339	335	332	4,028	3,696
133	119	69	114	223	76	53	43	7	1	1,132	1,131
423	430	384	433	555	411	392	382	342	333	5,160	4,827
2,457	2,613	2,591	2,672	2,691	2,623	2,650	2,601	2,627	2,449	32,916	30,467
260	285	335	384	271	292	290	325	350	323	4,013	3,690
2,717	2,898	2,925	3,058	2,962	2,915	2,940	2,926	2,977	2,772	36,929	34,157
788.3	697.9	886.7	1062.9	1175.3	865.3	752.5	1000.6	1224.1			10,435.8
395.3	293.9	482.7	562.9	681.3	497.3	409.5	632.6	867.1			5,614.8
367.0	382.0	397.0	400.2	445.0	427.1	405.0	500.3	399.5			4,724.4

ltogether, and considering only the net migratory balance for the whole of the selected period (1950-61 or 1950-62)
balance and ten others a negative balance. Table I-1-2 shows the extent of immigration and table I-1-3 that of

Table I-1-2. Extent of Net Immigration (1950-61 and 1950-62) in Thousands and in Percentages. Countries of the O.E.C.D. without Turkey

Countries of net immigration in descending order of the absolute number of immigrants (1950-61)			Countries of net immigration in descending order of the relative importance of the number of immigrants in relation to the resident population, 1956[1]		
Country	1950-62	1950-61	Country	1950-62	1950-61
United States	4,013	3,690	Switzerland	11.1	9.0
Germany (Fed. Rep.)	3,622	3,337	Canada	7.0	7.0
France	2,099	1,239	Germany (Fed.Rep.)	7.1	6.6
Canada	1,132	1,131	Luxembourg		3.7
Switzerland	559	451	France	4.8	2.8
Sweden	125	116	United States	2.4	2.2
Belgium	96	75	Sweden	1.7	1.6
United Kingdom		31	Belgium	1.1	0.8
Luxembourg		11.3	United Kingdom		0.6

Table I-1-3. Extent of Net Emigration (1950-61 and 1950-62) in Thousands and in Percentages. Countries of the O.E.C.D. without Turkey

Countries of net emigration in descending order of the absolute number of emigrants (1950-61)			Countries of net emigration in descending order of the relative number of emigrants in relation to the resident population, 1956.		
Country	1950-62	1950-61	Country	1950-62	1950-61
Italy	1,704	1,523	Ireland		16.2
Spain	1,169	1,058	Portugal	9.4	8.8
Portugal	816	761	Spain	4.0	3.6
Ireland		469	Italy	3.5	3.1
Greece		245	Greece		3.1
Austria		133	Austria		1.5
Netherlands	109	126	Netherlands	1.0	1.2

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[1] The year 1956 was chosen because it is the middle year of the

(footnote continued on p. 16.)

Table I-1-3 (cont.)

Country	1950-62	1950-61	Country	1950-62	1950-61
Denmark	51	46	Denmark	1.1	1.0
Norway	16	16	Iceland	0.9	0.6
Iceland	1.5	0.9	Norway	0.5	0.5

It will be noted that in absolute terms the net balance of immigrants is highest in the United States, while in relative terms Switzerland is at the head of the list. Similarly for the countries of emigration, in absolute terms Italy and Spain occupy the first two places, but Ireland and Portugal are the most important countries of emigration having regard to the size of their populations. Without a doubt it is this method of relative measurement that must be followed in order to ascertain the real impact of migratory movements on the various national economies. Accordingly in tables I-1-4 and I-1-5 the importance of immigration has been measured in relation to the total increase in the population and the importance of emigration in relation to natural growth during the periods 1950-61 or 1950-62.

These calculations allow the economic and social consequences of the migratory movements in the United States, Canada, Spain or Greece to be seen in their true proportions. The most acute problems obviously arise where the proportion of immigration in the total increase or of emigration in the natural growth is highest. Switzerland, Germany (Federal Republic), Luxembourg and France are in the first four places among the countries of net immigration; Ireland, Portugal, Austria, Italy and Spain are the first five countries of net emigration, according to the criterion that has just been selected.

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[1] (footnote continued from p. I5
period 1950-61 for which complete statistics are available. The same remark applies to the following table I-1-3

Table I-1-4. Countries of the O.E.C.D. in Descending Order of the Importance of Net Immigration (in 1950-61 or 1950-62) in the Total Demographic Increase

Country	Period	Total Increase (1,000)	Natural Growth (1,000)	Increase from Immigration (1,000)	Proportion of (4) in (3)	Proportion of (5) in (3)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Switzerland	1950-62	1,068	509	559	47.7	52.3
Germany	1950-62	7,558	3,936	3,622	52.1	47.9
Luxembourg	1950-61	24.8	13.5	11.3	54.4	45.6
France	1950-62	5,910	3,811	2,099	64.5	35.5
Canada	1950-62	5,160	4,028	1,132	78.1	21.9
Sweden	1950-62	595	470	125	79.0	21.0
Belgium	1950-62	665	569	96	85.6	14.4
United States	1950-62	36,929	32,916	4,013	89.1	10.9
United Kingdom	1950-61	2,926	2,895	31	98.9	1.1

Table I-1-5 **Countries of the O.E.C.D. in Descending Order of the Importance of Net Emigration (in 1950-1961 or 1950-1962) in the Natural Growth of the Population**

Country	Period	Natural Growth (1,000)	Actual Increase (1,000)	Net Emigration (1,000)	Proportion of (4) in (3)	Proportion of (5) in (3)
Ireland	1950-61	316	- 153	469	- 48.4	148.4
Portugal	1950-62	1,434	618	816	43.1	56.9
Austria	1950-61	331	198	133	59.8	40.2
Italy	1950-62	5,420	3,716	1,704	68.6	31.4
Spain	1950-62	4,356	3,187	1,169	73.2	26.8
Greece	1950-61	1,146	901	245	78.6	21.4
Denmark	1950-62	464	413	51	89.0	11.0
Netherlands	1950-62	1,972	1,863	109	94.5	5.5
Norway	1950-62	420	404	16	95.2	3.8
Iceland	1950-62	43.0	41.5	1.5	96.5	3.5

Section 2. Selected Countries of the O.E.C.D. - International Migration and Internal Migration

It is now proposed to examine more closely the statistics which trace the phenomena of geographical mobility in the three largest countries of continental Western Europe. The latest demographic censuses show Germany (F.R. apart from Berlin), Italy and France in the first three places - 53,975,000 inhabitants in Germany on 6 June 1961, 50,464,000 in Italy on 15 October 1961 and 46,530,000 in France on 7 March 1962.[1]

Apart from reasons connected with the abundance and ease of access to sources and with the fact that the authors have had direct and numerous contacts with the responsible officials in various government departments in these countries, there are specific reasons for this choice. Since the end of the war the German Federal Republic has received an irregular but nearly always heavy influx of refugees either from the ex-German zones which became or once again became Soviet, Polish or Czech, or from the territory of the present German Democratic Republic. Altogether, as may be seen from the above tables, probably more than 3 million German refugees and some 700,000 emigrants from Southern Europe brought to about one-half the proportion of net immigration in the total increase of the population of the Federal Republic of Germany between 1950 and 1962.[1]

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[1] 48 million in the middle of 1964, the main cause of this very great increase being the independence of Algeria.

Italy, which during the years 1945-50 suffered from exceptional unemployment (certainly more than 2 million "active" persons without jobs, not counting the partially unemployed, especially in agriculture and the artisan trades) only succeeded in reducing its unemployment rate (10 per cent. of the population of working age in 1950 and only 3 per cent. in 1962) at the cost of two strong migratory movements - on the one hand international emigration to Switzerland, France and Western Germany in the main and involving more than 1,700,000 persons (net balance for the period 1950-62), and on the other hand an extremely intense internal migration from the large islands and the south of the peninsula to the highly-industrialised northwest.

Finally, France was chosen because it received more than 2 million persons between 1950 and 1962 (net balance) or some 5 per cent. of its 1956 population.

Without denying the magnitude of the problems arising in such countries as Switzerland, Spain, Portugal and Ireland, it seemed that they must be excluded from a close examination necessarily confined to a small number of countries.

1. Geographical Mobility in France

In addition to the last two post-war censuses (10 May 1954 and 7 March 1962) the statistical services (National Institute of Statistics and Economic Studies - I.N.S.E.E.) regularly publish annual global estimates of the resident population. In 1950 the population was estimated at 41,836,000 persons, of whom 22.7 per cent. were under 15, 65.9 per cent between 15 and 64 and 11.4 per cent. over 64. In 1962 (30 June) the population was estimated to be 47 million inhabitants, 26.2 per cent. being under 15, 62.0 per cent. between 15 and 64 and 11.8 per cent. aged 65 and over. This demographic increase is particularly noteworthy if it is remembered that when account is taken of the two World Wars and the very low birth rate down to 1945, the population of France had hardly increased since the beginning of the twentieth century. The demographic recovery during the last 20 years has in particular resulted in a rejuvenation of the population which, taken with the lengthening of the time spent at school, could have reduced the proportion of the active population by at least 3 per cent. This population, however, remained almost constant between 1954 and 1962, owing to large-scale immigration, particularly of Italians, Algerian Moslems and, recently, Spaniards.[1]

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[1] Germany figures in second place in table I-1-4, immediately after Switzerland.

The two censuses of 1954 and 1962 allow the migratory movements to be measured, though admittedly inadequately.[2] From the pre-war censuses it was possible to study internal or international migrations only by comparing the place of birth and the principal place of residence of each person recorded; the censuses of 1954 and 1962 also give the principal place of residence at the time of the previous census; comparisons are therefore possible from 1946 to 1954 and from 1954 to 1962.[3]

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[1] Cf. in particular Roland PRESSAT, "La Population Française au recensement de 1962. Premiers résultats", Population, 1962, No. 4, pp. 627-644.

[2] On this point reference should be made to the article by André BELTRAMONE, "Sur la Mesure des Migrations Intérieures au Moyen des Données Fournies par les Recensements", same review, same issue, pp. 703-724.

[3] It may be useful to give here the interesting comments of a young French specialist, Roland GRANIER, assistant in the Social Relations Study Centre, Faculty of Law and Economic Science at Aix-en-Provence (note not published at the time of writing):

"In 1954 the individual census forms included a question as to the residence of the persons covered at the time of the previous census (1946). Unfortunately the replies to these questions were not systematically analysed. We do not know the reasons for this failure which, moreover, has frequently been criticised.

"At the census of 7 March 1962 the same question was included again. This time it appears that full use is being made of this information, because the first results of the 5 per cent. samples give various indications concerning the migratory movements.

"Here it is necessary to emphasise the special character of the information thus obtained - it only "sums up" the geographical movements of the population. A person recorded in Paris at the census states that he lived at Rennes in 1954. A removal from Rennes to Paris has taken place, but it is not known whether this constituted a one-and-only change of residence or whether on the contrary it was broken into a series of stages which resulted in as many periods of residence of longer or shorter duration .....

(footnote contd. on p. 21)

After each census the statistics enable comparisons to be made for various geographical areas - communes, cantons, departments and, for a short time past, the so-called "programme" regions. France comprises 90 departments grouped into 21 regions (cf. table I-1-6).

Table I-1-6 Administrative and Statistical Divisions of the French Metropolitan Territory.

Programme Regions	Departments Included in Each Region
Nord	Nord, Pas-de-Calais
Picardie	Aisne, Oise, Somme
Champagne	Ardennes, Aube, Marne, Haute-Marne
Région parisienne	Seine, Seine-et-Oise, Seine-et-Marne
Centre	Cher, Eure-et-Loire, Indre, Indre-et-Loire, Loir-et-Cher, Loiret
Haute Normandie	Eure, Seine-Maritime
Basse Normandie	Calvados, Manche, Orne
Bretagne	Côtes-du-Nord, Finistère, Ile-et-Vilaine, Morbihan

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[3] (footnote continued from p. 20)

"In this connection a certain paradox in the development of the periodicity of the French censuses may be stressed. It results from what has just been pointed out: the closer together the census dates, the greater the chance of eliminating uncertainty as to the "intermediate stages".

"An "Ordonnance" of 16 January 1822 had legalised the practice of the quinquennial census. This periodicity was on the whole followed until 1936. The last three censuses (1946, 1954 and 1962) were separated by two periods of eight years each ...... And now it seems that we are moving towards a decennial periodicity (the next census is expected to be taken in 1972). The conclusion is clear: in the past the periodicity was good (five years) but the technique of pin-pointing migratory movements had not been perfected. Now we have the method but the periodicity is being extended to the point of making this method subject to caution."

Table I-1-6 contd.

Programme Regions	Departments Included in Each Region
Pays de la Loire	Loire-Atlantique, Maine-et-Loire, Mayenne, Sarthe, Vendée
Poitou-Charentes	Charente, Charente-Maritime, Deux-Sèvres, Vienne
Limousin	Corrèze, Creuse, Haute-Vienne
Aquitaine	Dordogne, Gironde, Landes, Lot-et-Garonne, Basses-Pyrénées
Midi-Pyrénées	Ariège, Aveyron, Haute-Garonne, Gers, Lot, Hautes-Pyrénées, Tarn, Tarn-et-Garonne
Lorraine	Meurthe-et-Moselle, Meuse, Moselle, Vosges
Alsace	Bas-Rhin, Haut-Rhin
Franche-Comté	Doubs, Jura, Haute-Saône, Territ. Belfort
Bourgogne	Côte-d'Or, Nièvre, Saône-et-Loire, Yonne
Auvergne	Allier, Cantal, Haute-Loire, Puy-de-Dôme
Rhône-Alpes	Ain, Ardèche, Drôme, Isère, Loire, Rhône, Savoie, Haute-Savoie
Languedoc	Aude, Gard, Hérault, Lozère, Pyrénées Orientales
Provence-Côte d'Azur-Corse	Basses-Alpes, Hautes-Alpes, Alpes-Maritimes, Bouches-du-Rhône, Corse, Var, Vaucluse

There are strong reasons for often excluding the Department of Corsica from the statistical totals; it has, in particular, been noticed on various occasions that many Corsicans actually residing in continental France had had themselves recorded both in their Department of origin and in their Department of residence. The possible errors are however of negligible importance.

It should also be noted that the criterion of the distinction between "urban population" and "rural population" is based traditionally on the number of inhabitants, less than 2,000 or 2,000 and more, of the principal place of residence. In this connection it may be pointed out that between 1954 and 1962 the percentage of the urban population grew from 70.7 to 74.4.

The last general observation concerns the importance, which is definitely greater in France than in the other neighbouring countries, of the number of foreigners. Without counting the naturalised French or their descendants there were 2,150,700 foreigners at the 1962 census, including 644,700 Italians, 430,800 Spaniards, 335,000 Algerians and 176,000 Poles. In spite of naturalisation the number of foreigners grew by nearly 400,000 between 1954 and 1962. To which it may be added that from 7 March 1962 to the end of 1963, between 100,000 and 200,000 Algerian Moslems settled in France.

Let us now turn to a systematic examination of the migratory movements.

Since the Industrial Revolution the internal migratory currents have flowed towards a small number of great poles of development, particularly the Paris region[1], the Nord and Lorraine, which attracted the rural populations.

In other words, a line drawn from Rouen to Geneva divided two profoundly different zones of density, standards of living and economic activity. To the north-east of this "frontier", a third of France contained three-fifths of the population who shared more than two-thirds of the income; to the south-west were zones that were much less favoured by industrialisation, though with a few active nuclei such as Lyons, Marseilles and Bordeaux.

As was the case everywhere, moreover, the regional, economic and, in consequence, demographic inequalities were due to the technical requirements of industrialisation (presence of coal in the Nord and of iron ore in Lorraine), to reasons that were really political (the concentration of power, particularly since Napoleon I, made Paris the only true French megalopolis, whereas Italy, Germany, the United Kingdom or the United States, for example all have several very large towns) and, of course, to socio-historical reasons (the opposition between the industrious "Northerners" and the more indolent "Southerners" is not to be found only in literature).

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[1] To such an extent that an author, J.F. GRAVIER, entitled one of his books, Paris and the French Desert.

Until 1945 no serious predictions gave much hope that there would be any considerable weakening, however desirable, in the secular trends that have been seen. The main reasons for the profound changes of the last 20 years may be enumerated as follows (cf. the statistical tables set out below) -

(1) A conscious policy at first suggested by geographers, economists and sociologists is adopted by the public authorities with the object of decentralising and deconcentrating political, economic and cultural activities.

(2) Technical progress, which has often occurred, no longer ties the undertakings to the traditional sources of raw materials. In particular, the substitution of hydro-electricity, petroleum and natural gas for coal encourages the undertakings to settle either in ports or near new sources of energy. And above all, this progress, by considerably reducing certain costs, gives many firms a wide choice of possible locations for their plants.

(3) As far as France is concerned (but it seems that the fact has also been confirmed in the United States for example), the improvement in the standard of living makes people much more concerned about the amenities, the climate, etc., in the regions where they propose to live. It may be added that in the case of France more than one-and-a-half million of its nationals, who were repatriated from North Africa, have endeavoured - with some success - to establish themselves in the southern regions.

(4) Housing difficulties in the big centres have lessened their attraction. For a considerable proportion of the urban workers the loss of time and money caused by urban and suburban transport increases their reluctance to go to the large cities.

(5) Especially in the case of supervisory staffs, the possible separation from the big urban centres (Paris in particular) is more easily acceptable when an improvement in communications and a relative reduction in transport fares make contact with these centres easy.

These reasons readily explain the internal and international migrations (the latter were examined in the first section above). From 1954 to 1962 it is possible to measure in various ways the importance of this geographical mobility.

(a) Table I-1-7 gives in the first place the population figures by region. Whereas between the two censuses the population of France increased by about 8 per cent., the record is achieved by the Provence-Côte d'Azur region (16.9 per cent.). For the first time for a hundred years the Paris region comes only in second place (+ 14.8 per cent.). Fifteen regions (out of 21) have demographic rates of increase below the national average. Almost all the regions adjacent to the Paris region and the whole of the west and south-west have in fact progressed at moderate rates, between 0 per cent. and 8 per cent. in eight years.

(b) Table I-1-8 gives figures of the number of immigrants in each region, making a distinction between the immigrants from another region of metropolitan France and those coming from outside France.

(c) Table I-1-9 makes it possible to measure the net balances by region between immigrants and emigrants. It will be noted in particular that comparing this balance with the resident population (in 1954), Provence-Côte d'Azur is still in first place; true, it is followed by the Paris region, but the third and fourth places are taken by the Rhône-Alpes region and the Languedoc region respectively. In other words, only the Paris region represents the traditionally industrialised and highly-populated parts of France in this group of the first four zones of attraction.

Table I-1-7 Total Population of the "Programme Regions" in 1954 and 1962 (and Percentages of Growth)

Regions	1954	1962	Growth in Percentage between the Censuses
Région parisienne	7,317,063	8,402,744	14.8
Champagne	1,133,575	1,199,349	5.8
Picardie	1,386,529	1,474,397	6.3
Haute-Normandie	1,274,198	1,384,979	8.7
Centre	1,757,900	1,847,378	5.1
Nord	3,375,378	3,622,391	7.3
Lorraine	1,956,039	2,198,216	12.4
Alsace	1,217,581	1,308,251	7.4

Table I-1-7 contd.

Regions	1954	1962	Growth in Percentage between the Censuses
Franche-Comté	856,119	925,295	8.1
Basse-Normandie	1,164,713	1,197,568	2.8
Pays de la Loire	2,319,372	2,439,572	5.2
Bretagne	2,338,815	2,374,443	1.5
Limousin	739,929	730,675	- 1.3
Auvergne	1,246,711	1,268,764	1.8
Poitou-Charentes	1,393,658	1,442,236	3.5
Aquitaine	2,208,898	2,307,489	4.4
Midi-Pyrénées	1,975,391	2,047,389	3.7
Bourgogne	1,374,509	1,428,262	3.9
Rhône-Alpes	3,629,722	3,998,169	10.2
Languedoc	1,449,101	1,546,528	6.7
Provence-Côte d'Azur (Corse excluded)	2,414,978	2,822,743	16.9
FRANCE (Corse excluded)	42,530,179	45,966,838	8.08

Table I-1-8 Immigration in the Programme Regions according to the Censuses of 1954 and 1962 arranged in Descending Order of Total Immigration

Regions	Immigrants from Another Programme Region	Immigrants from Outside France	Total of Regional Immigration
Région parisienne	894,840	478,880	1,373,720
Provence-Côte d'Azur	244,680	278,140	522,820
Rhône-Alpes	218,460	182,120	400,580
Lorraine	126,740	126,520	253,260
Aquitaine	147,220	91,760	238,980
Centre	180,780	50,520	231,300

Table I-1-8 contd.

Regions	Immigrants from Another Programme Region	Immigrants from Outside France	Total of Regional Immigration
Languedoc	97,300	99,600	196,900
Midi-Pyrénées	113,580	80,000	193,580
Nord	107,660	68,160	175,820
Bourgogne	129,700	39,380	169,080
Pays de la Loire	139,080	26,380	165,460
Picardie	132,600	26,180	158,780
Bretagne	109,340	33,520	142,860
Poitou-Charentes	99,720	27,820	127,540
Haute-Normandie	101,620	21,320	122,940
Champagne	88,580	33,180	121,760
Auvergne	78,580	27,540	106,120
Alsace	57,840	43,680	101,520
Basse-Normandie	85,420	12,300	97,720
Franche-Comté	66,140	26,840	92,980
Limousin	50,720	9,520	60,240
FRANCE (Corse excluded)	3,270,600	1,783,360	5,053,960

Source: I.N.S.E.E., based on 5 per cent. samples.

Table I-1-9. Balance of Migratory Movements in the Programme Regions according to the Censuses of 1954 and 1962. Arranged in Descending Order of Absolute Migratory Gains. Par Cent. of these Gains to the Population of 1954

Programme Regions (1)	Immigration (2)	Emigration (3)	Balances gains + losses - (4)	Per cent. of + or - (5)
Région parisienne	1,373,720	633,620	740,100	10.1
Provence-Côte d'Azur (Corse exclue)	522,820	174,120	348,700	14.4
Rhône-Alpes	400,580	186,180	214,400	5.9
Languedoc	196,900	119,851	77,049	5.3
Lorraine	253,260	202,160	51,100	2.6
Aquitaine	238,980	194,880	44,100	2.0
Midi-Purénées	193,580	164,580	29,000	1.5
Alsace	101,520	73,120	28,400	2.3
Centre	231,300	210,600	20,700	1.1
Bourgogne	169,080	155,080	14,000	1.0
Haute-Normandie	122,940	111,640	11,300	0.9
Franche-Comté	92,980	87,280	5,700	0.9
Auvergne	106,120	111,620	- 5,500	- 0.4
Limousin	60,240	67,840	- 7,600	- 1.0
Nord	175,820	183,580	- 8,300	- 0.2
Champagne	121,760	132,560	-10,800	- 0.9
Picardie	158,780	169,880	-11,100	- 0.8
Poitou-Charentes	127,540	155,240	-27,700	- 2.0
Pays de la Loire	165,460	211,000	-45,600	- 2.0
Basse-Normandie	97,720	156,920	-59,200	- 5.1
Bretagne	142,860	227,560	-84,700	- 3.6
Totals	5,053,960	3,729,311	1,324,649	+ 3.1

There is an impression, which needs to be carefully checked, that most of the new forms of activities have a propensity, perhaps for a number of different reasons to settle outside the old industrial regions. In general, these new activities seem to require a greater proportion of skilled workers. Perhaps this fact could explain by contrast why the North African workers, who are generally unskilled, are obliged to take jobs in the old occupations which are the hardest and relatively poorly paid (for example, in the mines). These workers, indeed, are very numerous in the Nord, Lorraine and the Paris region. According to recent official figures (Ministry of Labour) - 213,230 North African workers were employed in France on 30 June 1963; there were 67,334 in the Seine Department (Paris) of whom 59,292 were unskilled, 16,396, including 15,251 unskilled in Moselle, 16,996 in Seine-et-Oise and 12,091 in the Nord Department.

(d) Table I-1-10 summarises the available figures and provides a measure (among many others) of geographical mobility. More than 3 million persons have changed their region, nearly 1.8 million from abroad have settled in France and less than half a million have left French territory.

Table I-1-10. International and Inter-Regional Mobility in France, according to the 5 Per Cent. Sample of the 1962 Census

Migratory movements	Immigration and emigration recorded	Inter-regional mobility	International mobility
Immigration to the French region	5,053,960 (a)	3,270,600(b)	1,783,360 (c)
Emigration from the various regions	3,729,311 (d)	3,270,600(b)	458,711 (e)
Gains	1,324,649		1,324,649

(a) (b) and (c) from Table I-1-8. (d) from Table I-1-9.
(e) difference between the sum of the regional emigrations and the regional immigrations from French territory

The serious inadequacies of these statistics cannot be too strongly emphasised. To give only a few examples, an individual recorded in the same region in 1954 and 1962 but who resided in another region (or especially in another country) between these two dates is considered as not having moved. As against this, a worker who continued to serve in the same undertaking but who changed his place of residence by a journey of a few miles to another region is regarded as mobile. Lastly, a person who changes his residence but stays in the same region will evidently be counted amongst the "immobile".

Only this last inadequacy can be eliminated by means of the available information, since the censuses are taken in the communes. But if more complete figures on mobility were desired it would be necessary to carry out a very delicate statistical analysis which is at present being undertaken by the I.N.S.E.E., though the results are still provisional. Accordingly we shall confine ourselves to making one point clear. A recent article[1] examines in great detail the demographic variations in the medium and large towns on the basis of all the censuses of the twentieth century.

Of the twelve largest agglomerations eight, including the five main ones (Paris, Lyons, Marseilles, Bordeaux and Lille) gained fewer inhabitants from 1936 to 1962 than from 1901 to 1936. Yet the population living in France increased by 4,330,000 between 1936 and 1962 as against only 1,230,000 from 1901 to 1936 (including Alsace-Lorraine).

On the other hand, the gains of the towns of medium size (10,000 to 100,000 inhabitants) and especially of the small urban units (3,000 to 10,000) have been considerable. Finally, as the author, the Rev. Father Mols, points out, "the demographic situation of the villages as a whole is serious and in large sectors even irremediably alarming".

And the author adds this important remark (p.294), "No scheme for land utilisation will turn out to be truly beneficial if it does not include amongst its preoccupations - and with priority - a demographic restructuring of the countryside around the most favourable centres of expansion and axes of radiation, equipped for the purpose. The problem will not be solved by the building of a few "large ensembles" on the edges of the big towns. France lacks above all rural density. The remedy is not to pump the substance of the countryside into the towns but to bring the towns into the country".

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[1] R.P. Mols, S.J., "L'accroissement de la population de la France selon les régions et l'importance des agglomérations", Population, 1963, No. 2, pp.263-294 (with comments by Alfred Sauvy, pp.294-95). The quotation is from p.293.

Here are some conclusions - provisionally - on the case of France.

1. Subject to what will be added in the following chapter, the rural exodus has accelerated, especially since 1950.

2. International migration has been exceptionally intense because of the decolonisation in North Africa. Internal migration has been considerable but it is impossible to compare it with what it was before 1954 because at the previous censuses the place of birth could only be set against the place of residence and not against any successive places of residence.

3. The French population is tending to distribute itself (subject to a disquieting depopulation of large underdeveloped rural zones) in a much more balanced way, thanks to an increase greater than the national average in the regions of the Rhone and the Mediterranean coast. Moreover, a reaction, which can only be described as very fortunate, is favouring the small and medium-sized towns.[1]

2. Geographical Mobility in Italy

The last two official censuses were taken on 4 November 1951 and 15 October 1961. In ten years the resident population rose from 47,515,537 to 50,463,762, an increase of a little less than 3 million (+ 6.2 per cent.). The smallness of this growth is due in part to a fall in the birth rate and in part to net emigration of 1,704,000 people.

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[1] We shall revert to the problems of economic and social policy, which make it likely that the trends noted will be accentuated.

The Italian official authorities are unable to give figures of the number of Italians settled abroad. The magnitude of emigration since the last quarter of the nineteenth century has been such that the number of non-naturalised Italians living abroad may be roughly evaluated at 4 or 5 million. Taking only the European countries, it is estimated that 2 million Italians live in them either as permanent workers or as seasonal workers (counting the families of the former). There are 650,000 in France, nearly 400,000 in Switzerland, more than 250,000 in Western Germany and some tens of thousands in the Benelux countries.

The tradition of emigrating is so deeply rooted amongst certain sections of the population of the south that an author, Livio Livi[1] has concluded that the movement will continue for several years after full employment (expected by 1970) has been achieved.

Whereas in Germany and France a great part of the post-war international mobility has concerned nationals forced into repatriation for political reasons, there are primarily economic motives behind Italian emigration.

Table I-1-11 shows the changes in the migratory currents in recent years.[2]

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[1] L. Livi, "Previsioni numeriche sulla offerta di lavoro nel periodo 1963-1976", Convegno sul tema La futura disponibilità delle forze di lavoro in Italia (Rome, May 1963, Academia nazionale dei Lincei).

[2] This table gives only the net annual balances by large zones of destination (or, more rarely, - Africa and Asia - of origin). The full movements are also available; cf. for example, the review quoted at the foot of table I-1-11, p. 237.

Table L-1-11. **Net External Migration from Italy from 1958 to 1962**

Countries	1958	1959	1960	1961	1962
Germany (Fed. Rep.)	- 4,366	-13,099	-66,456	-65,996	-69,000
France	-29,648	-15,437	-24,236	-20,304	-26,000
Bénélux	- 4,564	- 3,846	- 5,661	- 5,722	- 3,850
(Countries of the C.E.E.	-38,578	-32,382	-96,353	-92,022	-98,850)
Switzerland	-15,479	-21,911	-38,050	-45,414	-43,000
Other European countries	- 5,737	- 6,275	- 9,059	- 9,665	- 7,750
(Total Europe	-59,794	-60,568	-143,462	-147,101	-149,600)
Africa	1,337	5,174	11,812	13,784	10,335
America	-49,336	-45,553	-41,856	-27,980	-27,648
Asia	336	150	149	78	- 102
Océania	- 8,964	-11,572	-18,316	-15,708	-13,888
Total	-116,421	-112,369	-191,673	-176,927	-180,903

Source : Instituto Centrale di Statistica, given in Office statistique des Communautés Européénnes, Statistiques sociales, 1963, No.4, p.243 (1). A few regroupings have been made with a view to simplification.

It will be seen from a study of this table that intercontinental emigration is being progressively reduced[1] and that even within Western Europe the countries of destination are no longer the same. Until about 1959 France was the first country of reception; now the first place is occupied by Germany, followed by Switzerland. These two countries alone receive about two-thirds of Italian emigrants.

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[1] In 1954, 120,813 Italians were shown as unassisted and assisted emigrants to America, out of a total of 250,925. Cf. O.E.C.D. Manpower and Social Affairs Committee, Preliminary Report by the Italian Authorities, Paris, 10 February, 1964, p.66 (restricted).

During 1958 and 1959 emigration had considerably weakened and it might have been asked whether this movement would continue. It was later found that this reduction in international migration had been greatly influenced by the slight recession in the big European industrial countries. It may be thought, however, that if the economic growth of Italy continues (as is probable) the traditional emigration may be greatly reduced in the next ten years.

In spite of the imperfections in any migration statistics in countries with a liberal tradition[1] there are good data concerning geographical mobility in Italy; this is due to the obligation laid upon the Italians to have their change of domicile from one commune to the other officially noted. There is therefore, no need to wait for the censuses in order to measure the internal movements of the population.

The administrative organisation of Italy rests upon a division into 19 "regions", each region being itself divided into "provinces" (there are 92 for the whole country).[2]

Economically and socially, a traditional division separates the "North" from the "South" - density, birth and death rates, demographic increase, standard of living, spread of education, etc., are profoundly different in the two parts of the Republic. Since the nineteenth century emigration abroad has quite clearly been fed by the Italians from the Mezzo-giorno and the large islands, for Northern Italy hardly offered any possibilities for their employment. Today it has become a commonplace to refer to the striking contrasts between the North and the South. It may be recalled that the Mezzogiorno Fund has the duty of co-ordinating a development policy in seven regions and in the South of Latium (provinces of Latina and Frosinone). During 1950-55 the Central Institute of Statistics (ISTAT) and the Association for the Development of Industry in the Mezzogiorno proposed a more realistic division of the Italian economy into three zones - Northern Italy, Central Italy and Southern Italy with the islands. Since 1960 there has been a new tendency which distinguishes North-West Italy, Eastern and Central Italy and Southern Italy with the islands. Table I-1-12 shows how the various classifications correspond.

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[1] The entries and departures from Italy can only be roughly estimated, the distinction between seasonal and permanent emigrants is sometimes difficult to make, and many emigrants, voluntarily or through ignorance, refrain from seeking the assistance of the authorities. For example, the O.E.C.D., referring to official sources, estimates the net number of

(footnote continued on p. 35)

Table I-1-12. Administrative and Economic Divisions of Italy

A. **Regions**

1. Valle d'Aosta
2. Piedmont
3. Liguria
4. Lombardy
5. Trentino-Alto Adige
6. Veneto
7. Friuli-Venezia Giulia
8. Emilia-Romagna
9. Tuscany
10. Marche
11. Umbria
12. Lazio
13. Abruzzi and Molise
14. Campania
15. Apulia
16. Basilicata
17. Calabria
18. Sicily
19. Sardinia

B. **Mezzogiorno Fund**

A part of Lazio and the following regions: Abruzzi and Molise, Campania, Apulia, Basilicata, Calabria, Sicily and Sardinia.

C. **Economic Divisions of 1950-55**

(a) Northern Italy: Valle d'Aosta, Piedmont, Liguria, Lombardy, Trentino-Alto Adige, Veneto, Friuli-Venezia Giulia, Emilia-Romagna

(b) Central Italy: Tuscany, Marche, Umbria and Lazio

(c) Southern Italy with the islands: the other regions

D. **New Economic Classification**

(a) North-West Italy: Valle d'Aosta, Piedmont, Liguria and Lombardy

(b) Eastern and Central Italy: Trentino-Alto Adige, Veneto, Friuli-Venezia Giulia, Emilia-Romagna, Tuscany, Marche Umbria and Lazio.

(c) Southern Italy with the islands: the other regions.

(footnote continued from p. 34)
Italian emigrants between 1951 and 1961 as 1,446,000 in one place and as 1,194,000 in another (Cf. Manpower Statistics 1950-1962 on the one hand, and Italy, an Economic Survey, February 1963, p.29).

[2] Note the similarity with the situation in France, which is divided into 21 regions and 90 departments.

Fascist laws of 9 April 1931 and 6 July 1939 had regulated and in fact almost prohibited migration from the rural South to the industrial North. The political regime of that time thought that a restructuring of agriculture could keep the Southern Italians where they were and that colonial settlement (in Africa) would help the demographic equilibrium of the Mezzogiorno.

After the war these laws progressively fell into disuse and various authors have often pointed out[1] that they were in formal contradiction with the republican Constitution, especially with articles 4 (on freedom of labour) and 16 (on freedom of travel and residence). These Fascist laws were moreover expressly repealed in 1961 (Law No. 5 of 10 February). The law finally ceased to be in contradiction with the facts. Indeed internal migration has attained exceptional importance during the last ten years and has raised a number of problems, as will be seen later. Before going more into detail it may be said at once that the population increase in the industrial North-West exceeded 1.3 million between 1951 and 1961 - of this total more than a million persons were migrants (from the Centre and especially from the South).[2]

The available figures reveal a constant growth in internal mobility.

(1) Table I-1-13 shows the demographic trends by region from 1952 to 1961. The absolute and relative variations are enough to enable the regions of attraction and the regions of outward movement to be readily distinguished.

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[1] Cf. Remo Pironti, "La mobilità territoriale e professionale della mano d'opera in Italia", *Homo faber* (Rassegna internazionale del lavoro e della istruzione), janvier 1960, pp. 6197-6203.

[2] Voir notamment, O.C.D.E., *Italie*, février 1963, p. 32 (Series of "Economic Surveys" by the O.E.C.D.).

Table I-1-13. Population Trends Between 31 December 1951 and 15 October 1961

in thousands of inhabitants

Regions	Population in the region on 31 Dec. 1951	1958	Resident Population on 15 Oct. 1961	Variations in per cent. from 1951 to 1961	Distribution in per cent. by region 1951	1961
Piedmont	3,548.3	3,782.1	3,890	9.6	7.5	7.7
Valle d' Aosta	96.1	99.4	100	4.1	0.2	0.2
Liguria	1,575.5	1,667.0	1,718	9.0	3.3	3.4
Lombardy	6,528.7	6,930.5	7,390	13.2	13.8	14.6
Trentino-Alto Adige	740.9	777.9	786	6.1	1.6	1.6
Veneto	3,835.6	3,604.6	3,834	- 0.0	8.1	7.6
Friuli-Venezia Giulia	1,198.3	1,179.2	1,205	0.6	2.5	2.4
Emilia-Romagna	3,522.8	3,556.5	3,647	3.5	7.5	7.2
Marche	1,350.0	1,331.7	1,347	- 0.2	2.9	2.7
Tosceny	3,167.8	3,251.2	3,267	3.1	6.7	6.5
Umbria	804.6	811.5	789	- 1.9	1.7	1.6
Lazio	3,389.0	3,716.5	3,922	15.7	7.2	7.8
Abruzzi and Molise	1,622.0	1,514.2	1,585	- 2.3	3.4	3.1
Campania	4,319.1	4,577.4	4,756	1.1	9.2	9.4
Apulia	3,200.0	3,372.4	3,409	6.5	6.8	6.8
Basilicata	617.4	634.9	648	5.0	1.3	1.3
Calabria	1,986.0	2,004.1	2,046	3.0	4.2	4.1
Sicily	4,448.5	4,668.9	4,712	5.9	9.4	9.3
Sardinia	1,272.9	1,399.5	1,413	11.1	2.7	2.8
Italy	47,223.5	48,879.5	50,464	6.9	100(1)	100(1)

Source: Official statistics. For 1951 and 1958 they are given in particular in an article by Stefano Somogyi, "La mobilità interna della popolazione italiana", Rivista italiana di economia demografia e statistica, Vol. XIV, No. 3, July-September 1960. For 1961 cf. for example, Prime Minister's office, Italy Today, Rome 1962, pp. 14-15. The population in the region (de facto) equals the resident population (de jure) less the number of persons temporarily working abroad. The relative difference is of the order of one per cent. of the total.

(1) The totals may not add up to 100 due to rounding.

This table calls for a few brief comments.

Except for Sardinia all the southern regions have rates of increase lower than the national average. It should also be noted that three regions bordering on Latium (Lazio, of which Rome is the capital) have suffered absolute reductions in population, a phenomenon due to the attraction of a big administrative town which is rapidly industrialising. Moreover, Latium is progressing faster than Lombardy (Milan), Piedmont (Turin) and Liguria (Genoa).

(2) Table I-1-14, taken from an Italian author - Cesare Lemmi[1] throws into relief the very clear increase in the internal mobility of the Italian population during the first half of the twentieth century.

Only the results of the censuses of 1911, 1931 and 1951 are taken into consideration.

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[1] Cesare Lemmi, "Mobilità interna della popolazione", Rivista italiana di economia demografia e statistica, Vol. XII, 1958, No. 3-4. The author notes in particular that, "the regions in which the greatest relative number of immigrants are found are the least agricultural, thus they are those in which the industrial activities and the other activities currently described as tertiary prevail".

Table I-1-14. Trends in Italian Internal Mobility According to a Comparison between the Places of Birth and Residence of the Persons Recorded in 1911, 1931 and 1951

Regions of Birth	Per cent. of population residing from their region of birth			Region of residence	Per cent. of population born in other regions		
	1911	1931	1951		1911	1931	1951
Piedmont and Valle d'Aosta	5.4	7.7	8.1	Piedmont and Valle d'Aosta	5.4	10.2	13.5
Lombardy	3.9	5.6	5.0	Lombardy	5.8	9.5	11.7
Trentino-A.Adige	-	7.0	7.1	Tren.-A.A.	-	7.3	10.6
Veneto-Friuli	3.8	10.2	13.2	Veneto-Fr.	2.6	3.9	3.7
Liguria	6.4	8.5	8.8	Liguria	17.7	25.8	26.6
Emilia-Romagna	7.8	9.6	9.9	Emil.-Rom.	4.3	5.7	6.0
Tuscany	5.8	8.4	8.5	Tuscany	3.9	5.7	7.0
Umbria	10.9	13.3	12.7	Umbria	5.7	7.9	8.5
Marche	8.8	11.7	13.1	Marche	4.1	4.9	4.9
Lazio	6.1	6.2	5.9	Lazio	19.3	20.1	22.7
Abruzzi and Molise	6.1	8.7	10.3	Abr. and Mol.	2.6	3.5	3.9
Campania	4.0	5.4	6.2	Campania	4.1	4.9	3.9
Apulia	3.9	7.6	8.1	Apulia	2.8	3.3	3.5
Basilicata	5.0	8.4	9.5	Basilicata	4.9	4.8	5.0
Calabria	3.4	5.0	7.5	Calabria	2.0	2.7	2.3
Sicily	2.1	4.0	5.7	Sicily	1.2	1.7	1.7
Sardinia	3.1	6.1	6.0	Sardinia	2.3	3.2	3.4
Italy	4.8	7.4	8.5	Italy	4.8	7.3	8.2

For reasons of comparability the provinces of Gorizia, Trieste, Fiume, Pola and Zara have been excluded. Udine is associated with Venezia.

(3) Table I-1-15 gives the internal migratory balance, positive or negative according to region, for the triennial periods 1952-54, 1955-57 and 1958-60.[1]

Table I-1-15. Internal Migratory Balance
(Net Balances per Triennial Period)

Regions	1952-54	1955-57	1958-60	1952-60
Piedmont	87,246	114,060	125,232	326,538
Valle d'Aosta	1,886	1,283	2,656	5,825
Liguria	31,884	43,025	57,602	132,511
Lomberdy	66,890	117,607	184,104	368,601
Trentino-Alto Adige	3,134	- 1,257	- 1,258	619
Veneto	- 96,695	- 110,903	- 93,873	-301,471
Friuli-Venezia Giulia	4,726	18,496	- 4,860	18,362
Eimilia-Romagna	- 2,399	- 9,679	- 4,759	- 16,837
Marche	- 21,816	- 24,644	- 26,236	- 72,696
Tuscany	20,322	17,821	14,767	52,910
Umbria	- 4,295	- 9,308	- 13,645	- 27,248
Lazio	53,555	68,204	83,635	205,394
Abruzzi and Molise	- 17,291	- 27,905	- 34,205	- 79,401
Campania	- 32,604	- 29,528	- 43,721	-105,853
Apulia	- 23,582	- 63,780	- 85,587	-172,949
Basilicata	- 7,885	- 13,655	- 20,454	- 41,994
Calabria	- 29,091	- 36,732	- 54,814	-120,637
Sicily	- 32,054	- 41,257	- 64,324	-137,635
Sardinia	- 1,931	- 11,848	- 20,260	- 34,039
Sardinian Lire	(1952-60)	: 34,039		

Source: from a study by the Istituto Centrale di Statistica. Figures reproduced in S. Somogyi, art. cit.

Altogether, if the internal migrants are added together (net balances of immigrants obviously equal to the sum of the emigrants) it is found that there are 1,110,760 persons for the whole of the period 1952-1960. These figures may be compared with caution to the number of 1,117,000 net emigrants to foreign countries during the same period (cf. table I-1-1, Italy, second line, 1952-60).

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[1] In the article by S. Somogyi already quoted, there is an analogous table, but the statistics available to the author related only to 1952-59. We have made the calculations again in order to have three triennial periods, and of course the total (1952-60) has in consequence been modified. It should also be noted that in order to avoid overburdening the text we only supply the internal migratory balances for each period of three years. It must, however, be pointed out that ISTAT gives double-entry annual tables of figures (regions of origin and

(footnote continued on p.41)

It is also possible to measure the relative importance of each Italian region in the internal and international currents of migration. The period 1952-59, for which complete figures are available, has been taken (table I-1-16).

Table I-1-16. Relative Importance of Each Region in the Internal and International Migratory Movements, 1952-59. Only the net balances for the whole period are taken.

In thousands

Regions	Inter-regional Migration		International Migration	
	Net Immigration (+)	Net Emigration (-)	Net Immigration (+)	Net Emigration (-)
Piedmont	28.4		1.36	
Valle d'Aosta	0.6			0.25
Liguria	12.3			0.08
Lombardy	32.7			4.16
Trentino-Alto Adige	0.1			0.43
Veneto		28.6		18.58
Friuli-Venezia Giulia	2.2			5.06
Emilia-Romagna		1.6		4.50
Marche		6.9		2.38
Tuscany	5.1			1.67
Umbria		2.4		0.61
Lazio	18.6			5.52
Abruzzi and Molise		7.2		12.44
Campania		9.6		13.72
Apulia		14.9		5.91
Basilicata		3.6		2.26
Calabria		10.5		12.90
Sicily		12.0		10.15
Sardinia		2.7		0.74
	100.0	100.0	1.36	101.36

Source: St. Somogyi, article quoted.

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[1] (footnote continued from p. 40 regions of destination) which enable the gross inter-regional movements to be pin-pointed. Cf. for example, for 1958, 1959 and 1960, Office statistique des Communautés Européennes, Statistiques sociales, issue quoted, pp.224-225.

With the sole exception of Piedmont, which is the first Italian region to benefit from net immigration from abroad, all the other regions still supplied (during the period 1952-59) manpower to the other European countries. Veneto stands out for the exceptional part which it plays in the migratory movements both to foreign countries and to other regions of Italy. Then come the following regions: Abruzzi and Molise, Campania, Apulia, Calabria and Sicily. As against this, the principal centres of attraction appear here again to be Milan, Turin, Genoa and Rome. The various methods of statistical pin-pointing lead, as may be seen, to identical conclusions.

At the present time there is a very intense urbanisation movement which concerns not only Rome and the great cities of the "industrial triangle" (Milan-Turin-Genoa) but also Bologne, Catania, Palermo, Naples and Florence.[1] By comparison with France and other countries which have been longer industrialised, it may be noted that the urban concentration is still taking place in the large and the very large towns. This means that important problems suddenly arise in various spheres - housing, the transport network, educational and health facilities, etc; more particularly in the field of the present study the backward and forward movements (daily mobility) attain such proportions that the public authorities must give them close attention.[2] Understandably economists and sociologists are anxious to know how the immigrants fit in to these big industrial cities.

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[1] Between 1951 and 1961 the total population grew, as already stated, by 6.2 per cent. This percentage must be compared with those of the demographic growth in Turin (+41.7 per cent.) Rome (+30.8 per cent.) Bologne (+29.5 per cent.) Milan (+24.1 per cent.) etc. Cf. Italy Today, op. cit. p. 17.

[2] Cf. a splendid study by the Lombardy Industrial Association, Contributo allo studio del movimento pendolare delle forze di lavoro in provincia di Milano(by Franco Leidi and Pietro Bernasconi) Milan 1963, especially pp. 21 et seq. (graphs and charts). The responsible officials of the administrative authorities, trade union confederations, in this case employers' confederations do not fail to express their concern at the magnitude of this problem, which is costly for the workers and for the whole of the nation.

A few words may be said here about the exceptional case of the enormous growth of the town of Turin. Between 1946 and 1960 the arrival of 535,316 persons and the departure of 218,668 were recorded. The population thus grew by more than 316,000 persons. No other important agglomeration experienced such an upswing. Certain Italian authors have spoken of the "Meridionalizzazione" ("Southernising") and "Venetizzazione" ("Venetianising") of the population of the north-western towns and of Turin in particular. This unquestioned capital of the automobile (whose share of the net added value to the production of Turin is more than a quarter) drained workers first of all from the surrounding communes and the rest of Piedmont, then from all the other regions - more than 130,000 southerners have settled there and the heads of families have been able to find work without great difficult.[1] As one author has said, "Fiat has taken the place of the kings in Piedmont in all the economic, social, industrial and artistic activities of the city."[2] No other western country offers such examples of *recent* urban growth.

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[1] Cf. Dr. Flavia Zeccone Derossi, "Problemi di inserimento nel lavoro degli immigrati meridionali a Torino", article published in the special issue of *Mondo Economico*, 23-30 December 1961 devoted to the "miracle" capitals (Le capitale del "miracolo"). See also M. Venni, "L'immigrazione a Torino dall'Italia Meridionale", *Rivista di Geografia Ital.*, March 1957, C. Tagliacarne, "La Meridionalizzazione e la Venetizzazione della popolazione italiana", *Stato sociale*, August 1957. These two articles were excellently reviewed by Pierre Gabert, *Turin - Ville Industrielle*, Paris, Presses Universitaires, 1964, pp. 249 et. seq.

[2] P. Gabert, op. cit. p.161. The author states (p.245) that the increase by net immigration (between 1951 and 1957) was three times greater (in percentages) in Turin than in Rome, Genoa or Milan, and 24 times greater than in Naples. Taking account only of arrivals (gross figures) the Piedmontese made up 43 per cent. of the whole, the other northern Italians 18 per cent. those from the centre 9 per cent., with 5 per cent., from abroad. The southerners' share in this migratory movement was 25 per cent! And yet the Mezzogiorno and the large islands are relatively far removed from Turin.

3. Geographical Mobility in Germany[1]

What strikes the reader of German demographic statistics most of all is of course the great increase in the population residing within the present frontiers of the Federal Republic. Between 1939 (17 May) and 1961 (6 June) the population grew from 42,998,500 to 56,174,800, including the western part of Berlin, i.e. by 30.6 per cent. There are few industrialised countries of Western Europe which could claim such an increase. It has already been said that to a considerable extent this demographic addition is due to the massive arrival of eastern Germans. Between 1950 and 1961 the growth is more than 5 million persons if the census figures are compared. The current of immigration has not slackened since 1950, even though eastern Germans are forbidden to move into western territory (1961). This fact is due to the size of the immigration of non-German workers, especially from Italy, Spain and Greece.

Table I-1-17 shows the trends in the net migratory balances of the German Federal territory from 1958 to 1962 and enables the progressive substitution of foreigners to be seen.

It will be noted in particular that the very recent tendencies reveal an almost complete disappearance of the German migrations to distant countries (Oceania and especially America) and the growing importance of the immigration from poverty stricken southern Europe, that is to say from countries not belonging to the European Economic Community.

Table I-1-17. Annual Net Migratory Balances of Germany between 1958 and 1962

Countries and territories	1958	1959	1960	1961	1962
Italy	12,646	21,690	86,025	86,658	70,174
Other countries of the E.E.C.	8,111	8,508	14,450	16,617	14,351
(Total E.E.C.	20,757	30,198	100,475	103,275	84,525)
Greece	-	-	24,271	29,195	38,989
Spain	-	-	28,103	42,009	41,523
Turkey	-	-	2,638	7,457	14,096
Other European countries	47,544	39,440	32,377	30,681	44,084

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[1] When not otherwise stated this refers to the German Federal Republic, excluding the city of West Berlin.

Table I-1-17 (contd.)

Countries and territories	1958	1959	1960	1961	1962
EUROPE*	68,301	69,638	187,864	212,617	223,217
AMERICA	-20,702	-18,129	-11,997	- 2,380	- 319
ASIA	5,073	4,961	5,361	7,248	7,917
OCEANIA	- 2,455	- 6,371	- 7,045	- 1,620	1,105
AFRICA	601	1,016	2,885	7,202	6,247
TOTAL - FOREIGN COUNTRIES	50,747	51,101	176,852	223,091	238,209
Berlin	61,260	61,501	70,608	89,914	28,353
Soviet Occupational Zone	114,762	74,206	110,511	110,141	7,635
Ex-German territories under "foreign administration"	102,132	25,354	7,230	7,512	8,053
Unknown or not declared	57	-1,459	-1,175	425	2,291
TOTAL	328,958	210,703	364,026	431,083	284,541

* Europe except the Eastern territories

Source: Statistisches Bundesamt. The official statistics have been simplified by regrouping a few lines.

There has been little international migration of people of German origin. (See table I-1-18.)

Table I-1-18. Migration Abroad of German Citizens (Excluding Migratory Movements between the "Two Germanies") between 1958 and 1962

	1958	1959	1960	1961	1962
Total of immigrants	90,770	78,849	74,320	75,397	69,038
Total of emigrants	92,929	92,883	89,167	80,461	74,638
Migratory balance	-2,159	-14,034	-14,847	- 5,064	-5,600
Lire : immigrants (1961) - 75,397					

Source: Statistische Jahrbücher der Bundesrepublik Deutschland given in Office statistique des Communautés Européennes, Statistiques de l'emploi, 1963, No. 4, pp. 234-235.

This having been said, the internal migrations may now be examined, bearing in mind that, as in Italy, the statistics are drawn up with great precision: as a matter of fact, all changes of residence must be notified in accordance with legal provisions. Every year the Statistical Services (Statistiches Bundesamt, Wiesbaden) publish as a separate issue the figures for international and internal migration; it is of course possible to know for each "province" (Land) and for each "district" (Kneis) the annual number of immigrants and emigrants.[1] Here only the net annual migratory balances by "provinces" will be shown, tracing the trends since 1950. (Cf. tables I-1-19 and I-1-20.)

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[1] Cf. Statistisches Bundesamt, Die Wanderungen im Jahre 1955, ... im Jahre 1956, ... im Jahre 1957. Wanderungen 1958. Likewise, with a slightly different title, cf. Bevölkerung und Kultur, Reihe 3, Wanderungen 1959, ... 1960, ... 1961, ... 1962.

Table I-1-19. Population Trends by Land according to the Censuses of 13 September 1950 and 6 June 1961. Percentages of Increase

Provinces	1950 (1,000)	1961 (1,000)	Percentage of variation
Schleswig-Holstein	2594.6	2317.4	- 10.7
Hamburg	1605.6	1832.3	+ 14.1
Niedersachsen	6797.4	6640.9	- 2.3
Bremen	558.6	706.4	+ 26.5
Nordrhein-Westfalen	13197.0	15901.7	+ 20.5
Hessen	4323.8	4814.4	+ 11.3
Rheinland-Pfalz	3004.8	3417.1	+ 13.7
Baden-Württemberg	6430.2	7759.2	+ 20.7
Bayern	9184.5	9515.5	+ 3.6
Saarland	944.7	1072.6	+ 13.5
GERMANY (excluding Berlin)	48641.2	53977.4	+ 11.0
West Berlin	2147.0	2197.4	+ 2.3
GERMANY (including Berlin)	50788.2	56174.8	+ 10.6

Source: Statistisches Bundesamt, Statististisches Jahrbuch für die Bundesrepublik Deutschland, 1963, p. 34.

Leaving aside the slightly exceptional case of Berlin, it will be seen that the "Länder" may be placed in four different classes:

First, the "provinces" that have suffered reductions in population, i.e. Schleswig-Holstein and Lower Saxony, where the outward movement has manifestly taken place to the advantage of Hamburg and Bremen.

Secondly, a "province" with a moderate demographic increase (below the national average), i.e. Bavaria.

Thirdly, the "provinces" in which the increase in population has been considerable (between 11 per cent. and 20 per cent.) i.e. the Saar, the Rhineland and the Palatinate, Hamburg and Hesse.

Finally, three regions with a very important demographic growth, (higher than 20 per cent.) i.e. Bremen, North Rhine, Westphalia, and Baden-Wurtemberg.

Table I-1-20. **Net Annual Balances of Internal Migration**

Länder / Years	Schleswig-Holstein	Hamburg	Niedersachsen	Bremen	Nordrhein Westfalen	Hessen	Rheinland Pfalz	Baden-Württemberg	B
1950	- 122965	+ 39987	- 148600	+ 15014	+ 124868	+ 12970	+ 88671	+ 74400	- 8
1951	- 90293	+ 24383	- 140298	+ 12261	+ 178388	+ 11324	+ 19302	+ 60530	- 75
1952	- 78972	+ 20666	- 122365	+ 8966	+ 148453	+ 8797	+ 15745	+ 67215	- 68
1953	- 94739	+ 11009	- 107305	+ 10594	+ 179587	+ 5617	+ 7685	+ 63567	- 76
1954	- 52412	+ 15980	- 94011	+ 9765	+ 120055	+ 7373	+ 1795	+ 55889	- 64
1955	- 38947	+ 15885	- 85944	+ 10388	+ 99201	+ 9331	- 5974	+ 46499	- 50
1956	- 19790	+ 14110	- 75464	+ 12870	+ 69404	+ 6585	- 5785	+ 34652	- 36
1957	- 6893	+ 8723	- 63517	+ 11323	+ 50305	+ 6428	- 2789	+ 23580	- 25
1958	- 5860	+ 5421	- 48822	+ 5206	+ 41143	+ 3972	- 7161	+ 21044	- 13
1959	- 540	+ 5138	- 36801	+ 9281	+ 7490	+ 9283	- 15017	+ 21205	- 4
1960	+ 3526	+ 389	- 29123	+ 7065	- 14518	+ 16331	- 8418	+ 15159	+ 6
1961	+ 4348	- 3813	- 23991	+ 2813	- 17081	+ 17644	- 4410	+ 13194	+ 10
1962	+ 3226	- 4281	- 18028	+ 115	- 28269	+ 18026	+ 586	+ 12445	+ 16
1950-1955	- 478328	+127910	- 698523	+ 66988	+ 850552	+ 55412	+127224	+368100	-419
1956-1962	- 21983	+ 25687	- 295746	+ 48673	+ 108474	+ 78269	- 42994	+141279	- 46
1950-1962	- 500311	+153597	- 994269	+115661	+ 959026	+133681	+ 84230	+509379	-465

Source: Wanderungen (op.cit.). Our calculations of the various totals in this tablo.

* 1957-62 for the Saar.

nternal Migration

urg	Nieder-sachsen	Bremen	Nordrhein Westfalen	Hessen	Rheinland Pfalz	Baden-Württemberg	Bayern	Saarland (since 1957)	Total inter-provincial migration
987	- 148600	+ 15014	+ 124868	+ 12970	+ 88671	+ 74400	- 84345		355910
383	- 140298	+ 12261	+ 178388	+ 11324	+ 19302	+ 60530	- 75580		306188
666	- 122365	+ 8966	+ 148453	+ 8797	+ 15745	+ 67215	- 68505		269842
009	- 107305	+ 10594	+ 179587	+ 5617	+ 7685	+ 63567	- 76015		278059
980	- 94011	+ 9765	+ 120055	+ 7373	+ 1795	+ 55889	- 64434		210857
885	- 85944	+ 10388	+ 99201	+ 9331	- 5974	+ 46499	- 50439		181304
110	- 75464	+ 12870	+ 69404	+ 6585	- 5785	+ 34652	- 36582		137621
723	- 63517	+ 11323	+ 50305	+ 6428	- 2789	+ 23580	- 25236	- 1924	100359
421	- 48822	+ 5206	+ 41143	+ 3972	- 7161	+ 21044	- 13663	- 1280	76786
138	- 36801	+ 9281	+ 7490	+ 9283	- 15017	+ 21205	- 4293	+ 4254	56651
389	- 29123	+ 7065	- 14518	+ 16331	- 8418	+ 15159	+ 6210	+ 3379	52059
813	- 23991	+ 2813	- 17081	+ 17644	- 4410	+ 13194	+ 10536	+ 760	49295
281	- 18028	+ 115	- 28269	+ 18026	+ 586	+ 12445	+ 16939	- 759	51337
910	- 698523	+ 66988	+ 850552	+ 55412	+127224	+368100	-419318		
687	- 295746	+ 48673	+ 108474	+ 78269	- 42994	+141279	- 46089	+ 4430*	
597	- 994269	+115661	+ 959026	+133681	+ 84230	+509379	-465407		

alations of the various totals in this table.

9 -12-65

An examination of the net annual balances of internal migration from Land to Land leads to several interesting observations concerning the period 1950-1962. It will immediately be seen that certain Länder are generally speaking regions of emigration - these are the provinces that have experienced absolute reductions in population or a very moderate increase (Schleswig-Holstein, Lower Saxony and Bavaria). It will next be noted that the first years of the period under examination showed much bigger migratory balances than the later years - an inter-regional demographic equilibrium is now almost completely established, since the gross immigration in each province nearly compensates for the gross emigration, whereas in 1950-55 some regions largely "emptied" themselves to the advantage of certain polar "provinces" (North Rhine-Westphalia and Baden-Wurtemberg in particular attracted hundreds of thousands of migrants). This return to a progressive equilibrium may be measured by the trends in the annual totals of inter-provincial migration (last column of table I-1-20) or by a comparison of the regional totals for 1950-55 (six years) and 1956-62 (seven years). Taking for example the "provinces' of emigration, during the period 1950-55 Schleswig-Holstein lost nearly 500,000 persons (net balances) but only 22,000 during the following seven years; similarly Lower Saxony lost 700,000 persons from 1950 to 1955 and less than 300,000 from 1956 to 1962. Hamburg gained five times as many immigrants between 1950 and 1955 as during the following seven years, while North Rhine-Westphalia gained 850,000 persons from 1950 to 1955 and only 108,000 between 1956 and 1962.

It is hardly necessary to draw attention to the striking contrast between Germany and Italy - in the one case, powerful internal currents of migration becoming stronger during the most recent years; in the other, on the contrary, a progressive stabilisation after the upheavals of the war and its immediate consequences, a better distribution of labour to the advantage progressively of the least traditionally industrialised regions (for technical reasons, already mentioned in the case of France), with the poles of development and the zones of hyper-concentration of working populations tending, slowly it is true, to lose some of their relative importance.

The analogy with France and the contrast with Italy show themselves lastly in another way - it is the small towns which benefit more and more from the immigration movements, both internal and international. Table I-1-21 allows this to be readily seen.

Table I-1-21. **Migration according to the Size of the Population Centres**

(per thousand inhabitants)

Years *	Less than 1,000	1,000 to 2,000	2,000 to 5,000	5,000 to 20,000	20,000 to 100,000	More than 100,000	Total
			(a) Internal Migration				
1955	-22.1	- 8.5	+ 0.3	+ 4.6	+ 5.7	+ 8.5	Balance nil
1956	-27.6	-12.7	- 1.2	+ 2.9	+ 6.1	+13.7	"
1957	-22.0	- 9.0	- 0.5	+ 4.3	+ 5.7	+ 8.7	"
1958	-17.3	- 6.2	+ 0.7	+ 3.5	+ 3.7	+ 6.2	"
1959	-15.8	- 4.1	+ 2.4	+ 4.4	+ 1.6	+ 4.4	"
1960	-12.1	- 1.0	+ 5.5	+ 2.4	+ 0.7	+ 1.8	"
1961	- 9.4	- 0.7	+ 6.6	+ 2.3	+ 0.8	- 0.0	"
			(b) Internal and International Migrations				
1955	-26.5	-10.0	+ 2.5	+ 9.8	+14.9	+23.4	+ 6.2
1956	-23.4	- 8.1	+ 4.2	+10.2	+14.4	+22.1	+ 6.8
1957	-17.2	- 2.5	+ 6.7	+13.2	+15.5	+18.2	+ 8.2
1958	-13.7	- 1.1	+ 7.1	+10.7	+11.0	+13.0	+ 6.3
1959	-13.7	- 1.0	+ 6.0	+ 9.6	+ 6.1	+ 8.8	+ 4.0
1960	- 9.3	+ 3.3	+10.6	+12.2	+ 8.9	+ 9.6	+ 6.8
1961	- 6.4	+ 5.4	+13.2	+14.0	+10.2	+ 8.6	+ 8.0

* Before 1955 the classes covered by censuses were different (towns of less than 2,000 inhabitants, towns between 2,000 and 20,000, with no changes for the other classes).

Taking into consideration, for example, __all__ the migrations, it will be seen that the towns of 1,000 to 2,000 inhabitants were formerly on the way to depopulation; since 1960 the movement has been reversed. In 1955 the towns of more than 100,000 inhabitants attracted a very large number of persons, whereas in 1959-61 it was the towns of 5,000 to 20,000 inhabitants that became relatively the most attractive.

4. Geographical Mobility in Other European Countries: a Rapid Survey

To end this statistical examination by country, a few words may be said about the migratory movements in the United Kingdom, the Netherlands, Belgium and Sweden. None of these highly developed countries has known demographic movements as intense as those in the countries already examined. But a few comments may nevertheless be offered.

A. In the United Kingdom, although the British continue to emigrate in limited numbers to the distant English-speaking countries, a noteworthy immigration movement has been going on since the end of the war. This concerns first of all a few thousand persons from the "white" commonwealth[1], but it is above all unskilled "coloured" workers who have moved in - at the time of the 1961 census there seem to have been about 100,000 Asians, 300,000 West Indians and 30,000 Africans. To these must be added more than 700,000 persons from the Irish Republic and 400,000 other foreigners. It will be known that an Act passed on 18 April 1962 gave the Government power for five years to control immigration from the colonies, the Commonwealth and the Republic of Ireland, thus breaking a long tradition

Internal migration seems to be on a fairly small scale. The Ministry of Labour records every year the number of workers who have changed from one region to another. Table I-1-22 gives an idea of the slight extent of geographical mobility in the United Kingdom (London and the southern and eastern regions still continue to attract workers) if reference is made only to the regional balances.

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[1] In 1961 there were about 300,000 Australians, New Zealanders and South Africans living in the United Kingdom. According to the Observer of 26 November 1961, 500 Australian dentists have set up in London. On the British migrations see also R.B. Davidson: "Immigration and Unemployment in the United Kingdom, 1955-1962" British Journal of Industrial Relations, February 1963. (The author stresses the extent of unemployment amongst the immigrants from the underdeveloped countries - West Indians and especially Pakistanis.)

Table I-1-22 Inter-Regional Migration between 1 July 1961 and 30 June 1962 (in Thousands of Persons over 15 Years of Age). Great Britain Workers only

Regions	Immigration	Emigration	Regional Balances
London and South Eastern	215	200	15
Eastern and Southern	160	123	37
South Western	51	56	- 5
Midlands	85	97	-12
Yorkshire and Lincolnshire	60	62	- 2
North Western	80	83	- 3
Northern	32	42	-10
Scotland	31	49	-18
Wales	32	34	- 2
Totals	746	746	0

Office sources: A table given by Professor Guy Routh in the Geographical Mobility of Manpower, Castelfusano Seminar (November 1963), organised by the O.E.C.D., has been slightly simplified. Page 11 of Report No. 2.

It may be observed that generally speaking women are less mobile than men and that young people move about much more readily than older workers.

B. The exceptional situation in the Netherlands is well known. Between 1900 and 1950 the resident population doubled (from 5 to 10 million inhabitants) while the rest of Europe saw only a much more moderate increase (+27 per cent.). It will be readily understood that this country had traditionally been an exporter of men (and capital), since the smallness of its territory and the extent of its agriculture did not allow its annual surpluses of manpower to be absorbed.[1] However, very great economic activity (facilitated perhaps by the repatriation of capital from Indonesia) has not only made it possible in recent years to take on new workers but has required the entry of several thousand foreigners (Table II-1-1) shows how international migratory movements have changed). It will be noted that, as in Italy and Germany, the internal migrations can easily be counted because each person who changes his domicile is under an obligation to inform the administrative authorities. Table I-1-23 shows that the internal migration favours the regions of the south and east in particular.

Table I-1-23 Annual Balances of Internal Migration by Large Regions, Between 1958 and 1962

Regions	1958	1959	1960	1961	1962
North Netherlands	-5,665	-5,417	-6,825	-4,737	-3,220
East Netherlands	-1,662	+2,507	+4,344	+6,013	+2,728
IJsselmeer Polders	+ 949	+ 117	- 97	- 504	+ 356
West Netherlands	+4,722	+3,184	+3,238	-1,313	-2,380
Zealand	-1,658	-2,428	-2,485	-2,233	-1,835
South Netherlands	+3,314	+2,216	+1,956	+2,929	+4,300

Source: Centraal Bureau voor de Statistiek, given in Statistiques sociales, 1963, No. 4, op. cit.

C. Although economic conditions in Belgium may not have been so favourable as in the neighbouring countries (Germany, Netherlands and France) during the last ten years, it must not be concluded that this country has a surplus of labour. On the contrary, the immigration of foreign workers has gone on continually, except only for a period 1959-61, when there was a fairly clear falling off in economic growth. Italians and Spaniards make up the most important foreign groups in a weak current of migration.

Internal migration is hampered by the language barrier, as may be seen from the statistics.[2] For example, the emigration of people from Antwerp was relatively considerable to Brabant (bilingual) Western Flanders and Limbourg) but practically nil to Hainaut (Mons), the province of Liège and the province of Namur. Or, to give another example, immigration to the region of Namur comes from Liège, Brabant and Hainaut but is insignificant from the Flemish regions. It is as though a veritable frontier separates the "two Belgiums" (cf. table I-1-24).

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[1] Cf. European Coal and Steel Community, Obstacles to the Mobility of Workers and Social Problems of Readaptation (ref. 1809/2/56/1, pp. 19-20. This study, written in 1955-56, recalls that the Dutch specialists desired an annual expatriation of 50,000 persons, including 20,000 economically active. Today the Netherlands is short of labour.

[2] Table I-1-24 concerns only the year 1960. The annuaires statistiques della Belgique supply regular information on the internal and international migratory movements.

Table I-1-24. Migration Inside Belgium in 1960

Regions of origin	Regions of Destination 1	2	3	4	5	6	7	8	9	Total
1. Antwerp	-	5206	1536	3412	521	479	1746	84	167	13151
2. Brabant	5654	-	4023	5166	10713	4033	2473	1266	3121	36449
3. E.Flanders	1132	2853	-	2658	1037	320	343	74	136	8553
4. W.Flanders	2139	3879	2869	-	801	201	309	61	108	10367
5. Hainaut	426	6244	1056	756	-	1315	237	424	3468	13926
6. Liège	440	2899	358	209	1707	-	1451	1501	1598	10163
7. Limbourg	1593	1815	311	546	442	1294	-	80	88	6169
8. Luxembourg	84	863	68	62	424	1221	53	-	873	3648
9. Namur	182	2610	158	128	3789	1580	140	1145	-	9732
Total	11650	26369	10379	12937	19434	10443	6752	4635	9559	112158
Lire Total (column 3) 10379										

D. Lastly, a few words may be said about the migratory movements in Sweden (the richest and most industrialised, the largest and most populous of the Scandinavian countries). On 1 January 1963, 129,700 foreign workers (mostly Finns, Norwegians and Danes) were registered there. The net annual flow of entries involves about 7,000 to 8,000 workers. An equivalent number are naturalised every year.[1] The foreigners, moreover, constitute only some 3.5 per cent. of the total active population, a percentage comparable to that of the German Federal Republic but much lower than that of France (about 10 per cent. with a tendency to increase quite rapidly). Having regard to the severe climatic conditions in the north of Sweden and the difficulties in the way of setting of industries,(the cost of living is definitely higher there than in Stockholm) the Government does not seek to maintain populations in the north at all costs. The internal migratory movements are therefore towards the south. - However, the problem remains unsolved as was pointed out by the O.E.C.D. "examiners" in a recent report for the Manpower and Social Affairs Committee - the present migratory current precipitates the depopulation of more than half the territory, which probably creates a vicious circle, reducing still further the employment opportunities for the population which remains in the northern regions.[1]

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[1] Kungl Arbetsmarknadsstryrelsen, Berättelse angaende verksamheten under 1962. There is a summary in English. The above information is taken from p.82 of this booklet.

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* *

Three countries have been examined in some detail and four others have just been reviewed in a more summary manner. It is now possible to attempt a synthesis and to compare the phenomena of geographical mobility in the industrialised countries of Western Europe with the movements of population recorded in the United States since the end of the last war.

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[1] O.E.C.D. Reviews of Manpower and Social Policies, Labour Market Policy in Sweden, Paris, 1963 (especially pp. 51 et seq). Report of the Examiners, Messrs. Mansholt and Kirstein.

Section 3. Attempts at International Comparisons of Geographical Mobility (United States and Western Europe)

The Manpower Report of the President rightly emphasises that:

> "The American people have a characteristic readiness to move. Of the 159 million persons 5 years old and over in the country in 1960, 75 million had changed residence since 1955. Fourteen million, or about one-fifth of the movers, were living in a different State than 5 years before; another 14 million more had moved across county lines within the same State, and the remaining 47 million had moved from one residence to another in the same county."[1]

All statistical inquiries, all the opinions of authors who are specialists in geographical mobility, converge towards the same conclusion - the mobility of the Americans seems to be greater than that of the Europeans.

In spite of the difficulties which accompany every attempt at spatial comparisons, an effort may be made to bring out a few facts by first of all comparing the statistics of the European countries with each other and then those of the whole of Western Europe with those of the United States.[2]

1. Intra-European Comparisons

To an American, Western (continental) Europe may appear to be a heterogeneous collection of peoples "balkanised" by a long history punctuated by wars, ruptures and reconciliations. Economic development and social progress have certainly suffered from this, especially since the Industrial Revolution.

It is clear that it is only since 1945-50 that intra-European migration has attained any considerable magnitude, as the sense of belonging to a coherent whole began to take a firm hold on public opinion. The principal cause of this mobility has been the considerable inequalities in the rates of growth and various political events which have already been mentioned.

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[1] Manpower Report of the President (transmitted to Congress, March 1963), p. 55.

[2] Attention will be paid especially to the countries of the E.E.C., Switzerland and the Iberian peninsula (the last of these being an important reservoir of manpower).

Can the movements of population be compared? Let us confine ourselves to the three big countries which have been subjected to a fairly close examination - France, the Federal Republic of Germany and Italy. The administrative divisions of these States, their populations and the accuracy of their statistics facilitate comparisons, though it is never possible to find a uniform basis for comparison.

France is divided into 21 regions, Italy into 19 regions and Germany into 11 Länder (including West Berlin); their populations vary between 46 and 57 million (in 1961-62), but the densities are very different[1] and the areas are not similar.[2] Moreover, the administrative and statistical divisions show great inequalities within the same country, a fact which is noteworthy in Italy[3] and in Germany.[4] Other things being equal geographical mobility will, of course, be greater the smaller and more numerous the territorial units considered. Thus great care is needed in drawing conclusions from a comparative study. Taking table I-1-25 and the results given in the preceding section, it is possible to sum up our observations in a few lines.

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[1] Eighty-four inhabitants per square kilometre in France, 168 in Italy and more than 230 in Germany.

[2] France is nearly twice the area of the German Federal Republic.

[3] Cf. table I-1-25. Piedmont and Sicily exceed 25,000 square kilometres. Against this, Liguria has only 5,140 square kilometres and the Valle d'Aosta 3,260. The population of this last region does not exceed 100,000 inhabitants, whereas the neighbouring Lombardy has more than 7 million people.

[4] Cf. the same table. Hamburg, Bremen and Berlin are treated as Länder for statistical purposes but their area is negligible. Between Bremen and the province of North Rhine-Westphalia the difference of population is as one to 23.

Table I-1-25. Area, Population and Density of the Different Regions in France, Italy and Germany (Federal Republic)

FRANCE			
Regions	Area (km^2)	Population (7 March 1962)	Density per km^2
Nord	12,520	3,622,391	289
Picardie	19,600	1,474,397	75
Champagne	25,740	1,199,349	47
Région parisienne	12,070	8,402,744	696
Centre	39,540	1,847,378	47
Hte Normandie	12,380	1,384,979	112
Bse Normandie	18,240	1,197,568	66
Bretagne	28,330	2,374,443	84
Pays de la Loire	32,680	2,439,572	75
Poitou-Charentes	26,290	1,442,236	55
Limousin	17,060	730,675	43
Aquitaine	42,410	2,307,489	54
Midi-Pyrénées	45,600	2,047,389	45
Lorraine	23,670	2,198,216	93
Alsace	8,320	1,308,251	157
Franche-Comté	16,300	925,295	57
Bourgogne	31,770	1,428,262	45
Auvergne	26,180	1,268,764	48
Rhône-Alpes	44,640	3,998,169	90
Languedoc	27,760	1,546,528	56
Provence-Côte d'Azur Corse	40,500	3,072,743*	76
Total National Average	551,600	46,216,838	83.8
Regional Average	26,267	2,200,800	
Middle Regions	26,180	1,546,528	66

ITALY			
Regions	Area (km^2)	Population (15 Oct. 1961)	Density per km^2
Piemonte	25,390	3,890,000	153
Valle d'Aosta	3,260	100,000	31
Liguria	5,410	1,718,000	318
Lombardia	23,810	7,390,000	310
Trentino Alto adige	13,610	786,000	58
Veneto	18,380	3,834,000	209
Friuli-Venezia Giulia	7,850	1,205,000	153
Emilio-Romania	22,120	3,647,000	165
Marche	9,690	1,347,000	139
Toscana	22,990	3,267,000	142
Umbria	8,450	789,000	93
La Zio	17,200	3,922,000	228
Campania	13,590	4,756,000	350
Abruzzi-Molise	15,230	1,585,000	104
Puglia	19,350	3,409,000	176
Basilicata	9,990	648,000	65
Calabria	15,080	2,046,000	136
Sicilia	25,700	4,712,000	183
Sardegna	24,090	1,413,000	59
Total National Average	301,190	50,464,000	167.6
Regional Average	15,890	2,656,000	
Middle Regions	15,230	2,046,000	153

Regions
Schleswi Holste
Hamburg
Niedersa
Bremen
Nordrhei Westfal
Hessen
Rheinlan Pfalz
Baden-Württe berg
Bayern
Saarland
Berlin (W
Total National Average *
Regional Average
Middle Regions

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* Population of Corsica estimated at 250,000.

** West Berlin included.

Density of the Different Regions in France, Italy and Germany (Federal Republic)

	Density per km²
rch 1962)	
	289
	75
	47
	696
	47
	112
	66
	84
	75
	55
	43
	54
	45
	93
	157
	57
	45
	48
	90
	56
*	76
	83.8
	66

ITALY			
Regions	Area (km²)	Population (15 Oct. 1961)	Density per km²
Piemonte	25,390	3,890,000	153
Valle d'Aosta	3,260	100,000	31
Liguria	5,410	1,718,000	318
Lombardia	23,810	7,390,000	310
Trentino Alto adige	13,610	786,000	58
Veneto	18,380	3,834,000	209
Friuli-Venezia Giulia	7,850	1,205,000	153
Emilio-Romania	22,120	3,647,000	165
Marche	9,690	1,347,000	139
Toscana	22,990	3,267,000	142
Umbria	8,450	789,000	93
La Zio	17,200	3,922,000	228
Campania	13,590	4,756,000	350
Abruzzi-Molise	15,230	1,585,000	104
Puglia	19,350	3,409,000	176
Basilicata	9,990	648,000	65
Calabria	15,080	2,046,000	136
Sicilia	25,700	4,712,000	183
Sardegna	24,090	1,413,000	59
Total National Average	301,190	50,464,000	167.6
Regional Average	15,890	2,656,000	
Middle Regions	15,230	2,046,000	153

GERMANY (F.R.)			
Regions	Area (km²)	Population (31 Dec. 1962)	Density per km²
Schleswig-Holstein	15,658	2,351,300	150
Hamburg	747	1,847,500	2,473
Niedersachsen	47,383	6,731,600	142
Bremen	404	718,300	1,777
Nordrhein Westfalen	33,977	16,194,700	477
Hessen	21,108	4,936,900	234
Rheinland-Pfalz	19,831	3,474,500	175
Baden-Württemberg	35,750	7,990,600	224
Bayern	70,550	9,731,200	138
Saarland	2,567	1,096,600	427
Berlin (West)	481	2,174,000	4,520
Total National Average **	248,456	57,247,200	230.4
Regional Average	22,587	5,204,300	
Middle Regions	19,831	3,474,500	234

d at 250,000.

** West Berlin included.

9-12-65

1. International migration has developed greatly inside Europe during the last 15 years. Though Italian emigration is becoming stabilised, immigration into France, Switzerland and Germany is increasing to a very marked extent. Having regard to the places of origin of the migrants (Italian mezzogiorno, Iberian peninsula, North Africa and even Black Africa, Greece and Turkey) it may be regarded as certain that the migrations raise very acute problems of adaptation by reason of the great differences of language, customs, culture and religion between the populations of the regions of origin and those of the regions of settlement.

2. Internal migrations are of variable intensity according to the countries and periods. During the Fifties Germany experienced the most considerable movements; its place was taken first by Italy and then by France (in 1962-63). Here equally, it may be affirmed that those migrations are of definitely greater intensity than those of the first fifty years of the twentieth century.

In 1958-60, about 500,000 Italians changed their region of residence each year. In 1958-62 the number of Germans who crossed the borders of a Land was on an average 950,000 per annum. In eight years (from 1954 to 1962) more than 3 million persons moved from one region to another in France, which represents an average of about 400,000 persons every year.

Of course, these statistics do not pretend to record all the changes of residence, since the phenomena of mobility between communes or districts have so far been left out of account. A more penetrating analysis would lead to other results. For example, in Italy nearly one-and-a-half million persons change their residence every year. German statistics show that each year some 3,200,000 persons change their commune or districts.[1] In France the number of persons who declared that they had changed from one commune to another between 1954 and 1962 is estimated to be more than 11 million, an annual average of one-and-a-half million.[2]

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[1] See, for example, Statistisches Jahrbuch für die Bundes-Republik Deutschland - 1963, p. 62 (table B-1, last columns - Wanderungen nach einer anderen Gemeinde im Bundesgebiet ohne Berlin).

[2] Estimates based on the 5 per cent. samples relating to the general census of population of 7 March 1962, taken from the coded mecanographic tables which have not yet been published "en clair". It should be recalled that a Frenchman recorded in Paris in 1954 and 1962, who meantime changed his commune once or several times, is regarded as immobile. In other words, the 11,292,340 changes recorded underestimate the real geographical mobility.

2. Comparisons Between Western Europe and the United States

According to American figures, 19.2 to 20.5 per cent. of the population changes residence (houses) every year, those who move from one state to another representing in different years from 3.2 per cent. to 3.6 per cent. of the total population.[1]

It is of course undeniable that internal migration in the United States has, in certain particular cases, reached a high level and transformed the demographic equilibrium. Between 1950 and 1960, the total population increased by 18 per cent.; in the same period the population of Florida grew by 79 per cent., that of Nevada by 78 per cent., that of Arizona by 74 per cent., and that of California by 48 per cent. In these four states the effect of net immigration has been preponderant, half or two-thirds of the increase in population being attributable to it.[2] In France, the region with the biggest increase, between 1954 and 1962, is Provence-Côte d'Azur (+ 17 per cent.); in Germany, Bremen increased by 26 per cent., North Rhine-Westphalia and Baden-Wurtemberg showed demographic increases of about 21 per cent. in 11 years; in Italy, Lombardy and Lazio increased by only 13 to 16 per cent. in ten years, yet these are the highest increases registered. If, on the other hand, the territories in process of depopulation are taken, it will be seen that Arkansas, West Virginia and the District of Columbia lost between 5 and 7 per cent. of their population from 1950 to 1960, the natural growth being far from enough to make up for the effect of net emigration. In France, a single region lost 1.3 per cent. between 1954 and 1962, the effect of net migration not exceeding at the most 5 per cent. of the regional population in the case of another region; in Germany, two "Länder" have seen their population decline; in Italy, the most depopulated region lost 2.3 per cent. of its population between 1951 and 1961. But it is possible to find in these two countries internal migratory movements analogous to those of the United States, with percentages of migrants of 20 and 25 leaving their region or Land of origin. To repeat, it is on the whole a mere difference of degree.

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[1] Cf. Current Population Reports, Population Characteristics, Series P.20, No. 134, 25 March 1965, published by the U.S.Department of Commerce, Bureau of the Census.

[2] See Manpower Report (op.cit.), Appendix, table E-1, p.189. Also Stella P. Manor, "Geographic Changes in U.S. Employment from 1959 to 1960", Monthly Labour Review, January 1963, Vol. 86, No.1, pp. 1 to 10. Cf. also "Labour Mobility in the United States", Reports and Inquiries, International Labour Review, March 1959, pp. 296-314, and Ph. Madinier, "La mobilité du travail aux Etats-Unis et en France", Revue économique, 1959, No. 4, pp. 549-574.

In conclusion, let us present another way of comparing geographical mobility.

1. Between *states* in the United States, *régions* in France, *Länder* in Germany and *regione* in Italy, the statistics permit the following observations. For the United States, between 1955 and 1963, mobility per year amounted to about 5 to 6 million persons or some 3 per cent. of the population. For the Federal Republic of Germany we took 1961 as the most representative normal year because, as we have seen, geographical mobility was influenced by political factors and the influence of these diminished between 1950 and 1961. Table 3 of Part B ("Wanderungen") of the German Statistical Yearbook of 1963 permits the calculation of inter-*Länder* migrations without including migrations within the *Länder*. This calculation results in 958,698 cases of migration. Since the 1961 population was 55,977,000, the mobile persons were 1.78 per cent. of the total population.

For Italy, between 1958 and 1960, the average annual number of internal migrants going from one region to another was 324,000; the proportion of mobile persons in the total population was about one half per cent. If one recalls the great importance of international migration, it appears reasonable to present the level of migration for all the migrants (from one region to another *and* from one Italian region to a foreign country); emigration to foreign countries reached an annual average of 326,000 persons between 1958 and 1960 so that the proportion of internal and international migrants in the total population was 1.1 per cent.

Finally, for France, let us repeat that we do not know for individual years, the total number of mobile persons between regions. The method of estimating the annual mobility is to divide by eight the number of residents who changed census regions between 1954 and 1962, but this method clearly results in a great underestimation of mobility. This method shows that mobile persons were only 0.96 per cent. of the population per year. We should perhaps double this percentage in order to account for the changes in residence from one year to another as well as return movements by 1962 to the regions of residence of 1954.

2. Inter-county or inter-communal migrations give a similar picture. In the United States, 10 to 11 million persons change counties each year (about 6 per cent. of the total population aged one year or more).

In the European countries, the unit of residence is the commune, which is smaller than the county in the United States. In Germany in 1961, for example, there were 3,860,400 changes of communes (Berlin excluded) for a population of 54 million, so that the rate of mobility amounted to 6.1 per cent. In Italy, the rate of mobility was only 3 per cent. in the same year (1.5 million changes of communes over a population of 50.5 million). Finally, for France, we come back to the same difficulty as we encountered before; to divide by eight the changes of communes between 1954 and 1962 gives a mobility rate (greatly underestimated) of 3.5 per cent.

What follows from the above seems to be: if we agree to compare (i) State, Land, Region and regione and (ii) county with commune, then geographical mobility is comparable in the United States, Germany and France but clearly lower in Italy. However, since the political factors played a role in Germany (refugees from the east) and in France (repatriates from the former colonies and protectorates), one may suppose that economically relevant mobility is a little higher in the United States.

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* *

In the space available there could be no question of exhausting the subject of geographical mobility. On this subject, statistics abound and there is a proliferation of books and articles. Our aim has simply been to sketch in broad outline a synthesis of the statistical results available in the three biggest countries of Western Europe and to show the similarity of the population movements with the case of the United States. As geographical mobility is often, if not nearly always, accompanied by a change of occupation or of sector of activity (and therefore a change of firm), these problems must now be examined.

CHAPTER 2

OCCUPATIONAL MOBILITY

There are important differences between comparative studies of geographical mobility and occupational mobility. Before recounting them it should be noted in order to avoid any ambiguity that in this chapter occupational mobility means the passage of a worker from a sector of activity (or of complete or partial inactivity) to another sector of activity.[1]

In the previous chapter it was shown that the analysis of geographical mobility was relatively easy if it was examined in relation to a particular country; as against this accurate international comparisons were theoretically impossible and, in any case, difficult in practice.

Here, on the contrary, it is relatively easy to obtain comparable statistics concerning changes in the structure of employment, especially when the countries under consideration have reached an advanced stage of development. The comparison is facilitated by recent efforts on the part of various international organisations, particularly the International Labour Office, the O.E.C.D., and the Statistical Office of the European Communities.

That being so, it must nevertheless be pointed out at once that it is one thing to study changes in the structure of employment and another thing to measure occupational mobility.

Two illustrations may suffice:

1. The demographic variable, which must take account of the natural movement of the population as well as of migration, evidently makes the statistical analysis of occupational mobility inaccurate. For example, a decrease of 10 per cent. in an agricultural population during a decade may not result in any change of employment amongst agricultural workers if their number was being progressively reduced by retirement, invalidity, death, etc., while the sons and daughters of farmers were taking up non-agricultural careers when starting their working lives.

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[1] Or to a sector of inactivity if a worker is rendered unemployed or becomes an invalid or voluntarily leaves his job without wishing to take another. The passage from active to final inactive life for various causes (age, invalidity, etc.) will not be considered here.

2. A worker may change his sector of activity from one period to another without in any way altering his own occupational activity. An electrician may work at first in a mine, then in engineering and finally carry out maintenance work in a government department. The employment figures available at the macro-economic level generally record such a phenomenon as one of occupational mobility, although there is no doubt that the problems arising for the worker himself do not go beyond those concerned with turnover.

To show the importance of this example, it may be noted that in the course of their working lives non-specialised labourers on the one hand, and skilled or highly-skilled workers on the other, may move from industry to industry without any change in their own activity. In contrast to this, semi-skilled workers (i.e. those who learn after a brief training to work a specific piece of equipment) can usually only change their industry by learning another speciality.

These difficulties consequently oblige us to proceed from the simplest to the most complex, that is to say to begin by examining, in a first section, the changes in the structure of employment; a second section will be devoted to an attempt at evaluating occupational mobility. These two sections will be based on the statistical data relating, as before, to a few countries of Western Europe and to the United States during the period 1950-1963.

Section 1. Changes in the Structure of Employment

Even if the economic systems in question had hardly made any progress, or had only developed very slowly, during the last 15 years (for example, at the rate of the years 1875-1895 or of the period 1919-1939), it is beyond all doubt that the employment structure would have changed more of less markedly - a variation on the distribution of total income, a transformation of the age pyramid, a lasting change in the scales of relative preference of consumers, even minor innovations, etc. would have made necessary some transformation in the structure of employment. But, as is well known, the contemporary historical characteristic in the economic sphere is the extraordinary dynamism of the Western economic systems since the end of the war - the mean annual rates of growth are recalled in table I-2-1, in which the results supplied by each national statistical service according to the weightings used in each country are placed side by side with the calculations made according to the weighting suggested by the structure of European production and prices. The table clearly shows that in spite of the difficulties of comparisons in time and space, economic growth in France, Italy, Germany, Greece and the Netherlands has proceeded at a rate never achieved in the past, even during the phases of prolonged price rises (Kondratieff) i.e. approximately between 1850 and 1875 and between 1895 and 1914.

It is not our intention here to explain the underlying causes of the intensity of this growth - various authors have put forward, in turn or simultaneously, the baby boom, the technical inventions accumulated during the Second World War, the stimulus provided by the existence of a competing collectivist system, the major innovations in the sections of chemistry, electronics, aeronautics and space research, the intelligent intervention of the public authorities in economic affairs under the influence of Keynes and the post Keynesians, the progressive return towards free trade made practicable by the efforts of various international organisations, etc.

This remarkable growth could not have done other than produce radical changes in the structures of production and exchange and great modifications in the technical organisation of production.

Table I-2-1. Mean Annual Rates of Growth of Gross National Product from 1950 to 1960, weighted according to European Prices in 1955 and to 1954 Prices in the Countries in Question

Percentages

Countries	At 1955 European price weights in 1955	At country's own 1954 price weights
Belgique	2.9	2.6
Danemark	3.2	3.4
France	4.4	4.4
Italie	3.7	5.9
Pays-Bas	4.9	5.2
Norvège	3.1	3.5
Royaume-Uni	2.2	2.2
Etats-Unis	3.2	3.4
Allemagne occidentale		7.7
Grèce		7.2

Period 1950-1959 for Belgium, Netherlands, Western Germany and Greece. In each case the gross national product is taken at the market prices, no account being taken of variations in stocks.

Source: Cf. J. McGIBBON, "Statistical Comparability of Rates of Growth of Gross National Product", Productivity Measurement Review, (O.E.C.D.), February 1964, pp. 8 and 10.

Technical progress has been rapid everywhere, more marked (contrary to a widespread opinion) in agriculture than in non-agricultural activity. The service sector, condemned a little hastily to a stagnant or very slightly increasing productivity, will probably have to face the effects of major inventions and innovations.

Except in agriculture and certain industrial activities, technical progress has not on the whole had the result of creating marked and lasting technological unemployment (these questions will be taken up in Inquiry "G"). Unemployment at the national level has fallen dramatically in Western Germany and Italy and has remained moderate or insignificant in the other industrialised European countries (cf. table I-2-2).

Table I-2-2. Number of Unemployed and Rates of Unemployment in 1950, 1955 and 1962 in Various Developed Countries

	Absolute number of unemployed in thousands			Percentage of unemployed to total manpower		
	1950	1955	1962	1950	1955	1962
Belgium	174	139	72	4.9	3.8	2.0
France		283	230		1.4	1.2
Germany (F.R.)	1585	935	140	7.2	3.9	0.5
Italy		1479	611		7.5	2.9
Netherlands	80	53	35*	2.0	1.3	0.8*
United Kingdom	290	200	406	1.2	0.8	1.6
United States	3351	2904	4007	5.2	4.2	5.4

*Netherlands - 1961 instead of 1962
Middle of the year - Belgium, United Kingdom
Annual averages - France, Federal Republic of Germany, Italy, the Netherlands and the United States.

Figures collected by O.E.C.D., Manpower Statistics 1950-62.

Table I-2-3 shows the increase in the proportion of wage earners.

Table I-2-3. Percentage of Wage Earners[1] in the Employed Civilian Labour Force

Countries	1950	1954	1958	1962
Belgique	71.5	73.8	75.9	77.7
France		64.3	68.4	71.3
Allemagne (R.F.)	68.6	72.7	75.4	77.4
Italie		54.7	59.1	64.2
Pays-Bas	73.2	75.6	77.7	79.3
Norvège	67.5	69.7	70.8	72.4
Royaume-Uni	92.0	92.4	92.4	92.8
Canada	70.8	75.5	79.9	81.8
Etats-Unis	79.5	81.3	82.9	84.6

Source: Calculations made by the O.E.C.D. on the basis of the various national statistics in Manpower Statistics 1950-1962.

This development can be measured in another way: in France, there were 35.7 self-employed persons[2] in every 100 in 1954 and only 28.7 in 1962; in other words, it may be said that out of the active population of self employed[2], 20 per cent. left their occupation and became (they or their successors) wage earners. The corresponding figures are 21 per cent. for Italy during the same period and 28 per cent. for Western Germany between 1950 and 1962, 38 per cent. for Canada (1950-62) and 25 per cent. for the United States (same period). These results are thus quite comparable in Western Europe and North America, save that the United Kingdom had already in 1950 reached a stage which precluded any further marked increase in the percentage of wage earners. The relatively limited meaning of these results from the point of view of occupational mobility may also be noted - the fact of changing from the category of self-employed workers to that of wage earners clearly does not necessarily imply a change of activity. Accordingly table I-2-3 must be considered as only one of the numerous indices of the change in the structure of employment in the highly developed countries.

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[1] Including salary earners.

[2] Including family workers.

Let us now turn to a fundamental aspect of occupational mobility, namely the accelerated deflation of the primary sector, and more particularly of the sector of agricultural activity.[1] Table I-2-4 shows, in the first place, the long-term trend in a number of countries.

Table I-2-4. Trends in the Labour Force by Sector of Economic Activity

Countries	Numbers (in thousnads)				Percentages		
	Total	Agric.	Indus.	Services	Agric.	Indus.	Services
Allemagne (R.F.)							
1929	17877	5274	7347	5256	30	41	29
1939	20065	5399	8424	6232	27	42	31
1950	21590	5114	9468	7008	24	44	32
1961	25811	3556	12541	9713	14	49	38
Canada							
1941	4150	1227	1304	1619	30	31	39
1951	5148	1007	1878	2263	20	36	44
1962	6433	728	2290	3415	11	36	53
Etats-Unis							
1870	12925	6910	2830	3185	53	22	25
1900	29073	11122	7894	10058	38	27	35
1930	47492	10753	15498	21242	23	32	45
1940	50074	9317	17560	23197	19	35	46
1950	57459	7331	21623	28505	13	37	50
1960	61841	4519	24470	32853	7	40	53
France							
1866	16643	8535	4383	3724	51	26	23
1906	20721	8855	6338	5528	43	30	27
1936	20260	7204	6379	6677	36	31	33
1954	18927	5213	6841	6873	28	36	36
1962	18956	3908	7433	7616	21	39	40

table continued on page 69

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[1] Amongst a multitude of works see in particular - I.L.O. Why Labour Leaves the Land, Geneva, 1960, and Employment and Economic Growth, Geneva, 1964. The O.E.C.D. Observer, February and June 1964, Peter Quante, Die Abwanderung aus der Landwirtschaft, Kiel, 1958. Other sources will be cited in the following pages.

Table I-2-4 continued from page 68

Countries	Numbers (in thousands)				Percentages		
	Total	Agric.	Indus.	Services	Agric.	Indus.	Services
Grande Bretagne							
1881	12795	1638	6372	4785	13	50	37
1901	15394	1385	7158	6851	9	47	44
1931	20894	1258	9717	9919	6	47	47
1961	23925	948	11655	11322	4	49	47
Italie							
1881	15050	8600	3850	2600	57	26	17
1901	15962	9443	3879	2640	59	24	17
1931	18341	9356	4924	4001	51	27	22
1951	19577	8261	6290	5026	42	32	26
1962	20843	5581	8296	6966	27	40	33
Suède							
1920	2565	1058	808	699	41	32	27
1940	2966	864	1070	1032	29	36	35
1960	3234	447	1463	1324	14	45	41

National sources collected by the I.L.O. Employment and Economic Growth, pp. 8-10, table IV. The above are extracts from that table.

As may easily be seen, the rural exodus has accelerated everywhere - specialists forecast that by about 1980 the percentage of the agricultural population will not exceed 8 or 10 in most of the advanced European countries. This means that here again the similarity to the American case will become stronger as the years go by.

The following pages contain a more detailed examination covering the last dozen years or so and distinguishing between wage earners, employers and family workers in the active agricultural[1] population. Table I-2-5 shows the trend since 1950.

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[1] The sources being different from those which were used in drawing up table I-2-4 it will not be surprising to find some figures that are not identical.

Table I-2-5. Trends in the Active Agricultural Population

W.E. = wage earners. E. = employers. F.W. = family workers

	Number of persons (1,000)				Percentages			
	1950	1954	1958	1962	1950	1954	1958	1962
Belgium								
Total	368	322	276	240				
W.E.	40	34	31	26	10.9	10.6	11.4	10.8
E. F.W.	328	288	245	214	89.1	89.4	88.8	89.2
France								
Total		5224	4467	3882				
W.E.		1209	1013	869		23.1	22.7	22.4
E.		1945	3454	3013		76.9	77.3	77.6
F.W.		2070						
Germany (F.R.)								
Total	5020	4400	3980	3465				
W.E.	1000	785	630	465	19.9	17.8	15.8	13.4
E.	1285	1250	1220	1105	25.6	28.4	30.6	31.9
F.W.	2735	2365	2130	1895	54.5	53.8	53.6	54.7
Italy								
Total		6803	6116	5521				
W.E.		1817	1626	1755		26.7	26.6	31.8
E.		2497	2276	2022		36.7	37.2	36.6
F.W.		2489	2214	1744		36.6	36.2	31.6
Netherlands								
Total	533	498	456	425*				
W.E.	134	124	113	109*	25.1	24.9	24.8	25.6*
E. F.W.	399	374	343	316*	74.9	75.1	75.2	74.4*
Norway								
Total	334	285	265	244				
W.E.	56	41	28	18	16.8	14.4	10.6	7.4
E.	155	148	146	141	46.4	51.9	55.1	57.8
F.W.	123	96	91	85	36.8	33.7	34.3	34.8

Table I-2-5 continued
on page 71

Table I-2-5 continued from page 70

	Number of persons (1,000)				Percentages			
	1950	1954	1958	1962	1950	1954	1958	1962
United States								
Total	7497	6495	5844	5190				
W.E.	1724	1444	1671	1666	23.0	22.2	28.6	32.1
E.	4346	3821	3087	2619	58.0	58.8	52.8	50.5
F.W.	1427	1230	1086	905	19.0	19.0	18.6	17.3

Netherlands - the sign * means figures for 1961.

Source: O.E.C.D. Manpower Statistics. Certain percentages have been calculated by ourselves, the distinction not having been made for the categories E. and F.W.

From this table it will be seen that the percentage of agricultural employers remains in general constant - though it is falling in the United States it is growing or is stable in the other countries. The rural exodus tends to affect about equally the three categories under consideration: employers, family workers and wage earners, subject to minor movements specific to each country.

The following table I-2-6 is derived directly from the preceding one. The reductions have been calculated in percentages of the total number of active persons in agriculture in relation to each initial year of each quadrennial period. It will be seen that the rate of fall remains generally stable in spite of the considerable reduction in absolute terms of the number of persons since 1950.

Table I-2-6. Variations in Percentages of the Active Agricultural Population (Percentages calculated between the First and Last Year of Each Period Shown)

Countries	1950-1954	1954-1958	1958-1962
Belgium	- 12.5	- 14.3	- 13.0
France		- 14.5	- 13.1
Germany (F.R.)	- 12.3	- 9.6	- 12.9
Italy		- 10.1	- 9.7
Netherlands	- 6.6	- 8.4	- 6.8*
Norway	- 14.7	- 7.0	- 7.9
United States	- 13.4	- 10.0	- 11.2

*Netherlands - period 1958-61.

The rural exodus is thus a major element in the changing structure of employment. This movement from the country to the towns, which dates from the Industrial Revolution, and from the beginnings of the economic development of the modern period, has continued without weakening since the end of the Second World War. Broadly speaking, the deflation of the primary sector has been accompanied by an almost equivalent growth of the other two sectors of activity (industry and construction on the one hand, and services on the other) which can be convincingly seen, for example, from table I-2-4. But of course this does not at all mean that the ex-agricultural workers move into all non-agricultural activities equally - various studies show, on the contrary, that the movement is from agriculture to industrial activities (including construction) and that it is former industrial and building workers who in their turn go into service activities.

With these general considerations in mind it is now possible to examine employment trends in major sectors and branches. This will be done in two stages, giving first of all the figures, based on comparable statistics, relating to the employment trends in all the non-agricultural sectors arranged under seven headings (section 1), after which a few pages will be devoted to a closer examination of various employment trends in selected countries, distinguishing a much greater number of particular activities (section 2).

1. Non-Agricultural Employment Trends Compared

Fortunately the comparison is made easy now that the Manpower Statistics 1950-62 (O.E.C.D.) are available. It must, however, be pointed out that "blanks" frequently exist, since the national statistical services of the member countries were not always in a position to reply to the O.E.C.D. questionnaire. For this reason it is impossible to give strictly comparable statistical data for identical periods.[1]

The following tables bring together the figures available.

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[1] It should be added that the Swedish statistics, which we should have liked to use, are very incomplete, since they are available only for the years 1961 and 1962. Again, the Italian statistics are not sufficiently detailed to allow of a useful comparison with the countries included here.

Table I-2-7. Belgium - Trends in the Structure of Non-Agricultural Wage-Earning Employment. Percentages

Sectors	1950	1954	1958	1962
Extractive industries	7.8	7.1	6.6	3.8
Manufacturing	42.3	41.3	40.5	41.2
Building and public works	7.3	7.8	7.8	8.3
Electricity, gas, water and sanitary services	1.1	1.2	1.1	1.1
Commerce, banking, insurance and estates management	8.7	9.3	10.2	11.5
Transport, storage and communication	9.6	8.9	8.9	8.2
Various services	22.9	24.4	24.8	25.9

Source: O.E.C.D. op. cit. The percentages have been recalculated, eliminating the agricultural wage earners from the total.

Table I-2-8. France - as above

Sectors	1954	1958	1962
Extractive industries	3.6	3.2	2.6
Manufacturing	40.5	40.5	39.3
Building and public works	10.2	10.9	11.0
Electricity, gas, water and sanitary services	1.4	1.4	1.5
Commerce, banking, insurance and estates management	12.2	13.5	14.4
Transport, storage and communication	8.6	8.4	8.2
Various services	23.5	22.2	23.1

Same source, same remark as in the above table.

Table I-2-9. Germany (Federal Republic) - as above

Sectors	1954	1958	1962
Extractive industries	59.5	4.5	3.4
Manufacturing		44.0	45.1
Building and public works		10.5	10.9
Electricity, gas, water and sanitary services		0.9	0.9
Commerce, banking, insurance and estates management	40.5	14.5	15.0
Transport, storage and communication		6.9	6.3
Various services		18.5	18.5

Same source, same remark as in the above two tables.

Table I-2-10. United States - as above

Sectors	1950	1954	1958	1962
Extractive industries	2.0	1.6	1.5	1.2
Manufacturing	33.7	33.3	31.0	30.2
Building and public works	5.2	5.3	5.4	5.2
Electricity, gas, water and sanitary services	1.2	1.2	1.1	1.1
Commerce, banking, insurance and estates management	25.0	25.4	25.8	25.8
Transport, storage and communication	7.7	7.1	6.5	5.9
Various services	25.2	26.0	28.6	30.7

Same source, same remark as in the above three tables.

These four tables call for a certain number of comments. If there is cause for congratulation at the fact that a model classification of non-agricultural economic activities is now available, which greatly facilitates international comparisons, the limitations of this attempt must, nevertheless, be emphasised - seven categories have been selected, and three of them (manufacturing industries, commerce and kindred activities, other services) employ nearly three-quarters of the non-agricultural wage earners in the advanced countries, whereas the four others, which are much more homogeneous, enable the actual trends in the structure of employment to be easily seen.

Certain observations may be made.

First, the proportion of wage earners in the extractive industries is regularly falling, more especially in Belgium.

Next, an almost complete stabilisation of relative employment in the supply of electricity, gas, water and sanitary services is observed.

A slight, regular but general reduction in the transport sector is likewise to be noted and, as against this, an increase in the relative importance of the commercial and kindred services sector and of construction (in this last sphere the United States is an exception).

These conclusions are generally known - accordingly they will not be further emphasised, the object here having been to show the change in the general structure of non-agricultural employment, i.e., the relative proportions between the different sectors. To appreciate the volume of occupational mobility the movements of labour must be measured in absolute terms rather than in percentages and with the aid of a more detailed classification. This will be done in the next section.

2. Employment Trends in France, Italy, Germany (Federal Republic) and the United States

Despite the importance of homogeneous classifications, adapted to the needs of international comparison, it is indispensable to make use of specifically national statistics if it is desired to increase the number of headings of economic activity - these are of course individual to each country and depend upon the national structure of production.

A. Of the four countries at present under examination, France provides the only example of an economy in the course of rapid development with an active population which was strictly stable between 1954 and 1962. During this period the total net product grew by more than 40 per cent.; as for the active population, the results of the 5 per cent. samples (1962 census) show a total increase of 0.6 per cent.: "even this increase" a commentator points out, "is only apparent because it roughly corresponds to the increase in the military effectives (plus 124,000, or 45 per cent.) which is itself due essentially to the fact that this time 100,000 career soldiers stationed outside the metropolis were included who had not been counted in 1954".

"Has nothing changed then in eight years? On the contrary, ground-swells, such as our demography has rarely known in the past, occurred between 1954 and 1962. The active agricultural population fell by a quarter (- 1,300,000 persons) whereas the number of wage earners increased by a comparable number (1,360,000, or 11 per cent.). The population employed in mining, fisheries and entertainment has fallen, but that devoted to commerce and building has greatly increased. Altogether these movements cancelled each other out - which is merely a coincidence."[1]

Table I-2-11 gives an extract from the results published by the I.N.S.E.E. (it has not been thought necessary to give the figures for each sex separately; though it should be pointed out that female employment has fallen by 0.7 per cent. whereas male employment increased by 1.2 per cent., this reduction in the employment of women being seemingly due to the fact that many of them have ceased to be "family workers" in agriculture and handicrafts).

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[1] Gilbert Mathieu, "Les résultats du recensement de 1962" in Le Monde, 9-10 June 1963.

It should be added that the stagnation of the active population while the total population has increased by 8 per cent. (cf. table I-1-7) is explained by the rejuvenation of the population, the longer time spent at school, the extension of the period of compulsory military service for all (until the summer of 1962, i.e. after the census) and a moderate increase in the number of old people. This convergence of causes should not occur again in the years to come.

Table I-2-11. Census of March 1962 - 5 Per Cent. Samples. Active Population with Jobs according to Category of Economic Activity and Status. Comparison with the 1954 Census.

Categories of economic activities		Total	%	Self-Employed	Family Workers	Wage Earners
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Fisheries	1954	52528	0.3	16369	4002	32157
	1962	48260	0.3	17560	2580	28120
	Var. %	- 8.1		+ 7.3	o	- 12.6
Agriculture, Forestry	1954	5142391	27.3	1915832	2052457	1174102
	1962	3649700	20.3	1671400	1335840	842460
	Var. %	-25.1		-12.8	-34.9	- 28.2
Extractive Industries	1954	373303	2.0	5109	506	367688
	1962	311560	1.6	4540	200	306820
	Var. %	-16.5		o	o	- 16.6
including: Solid Combustible Minerals	1954	259856	1.4	77	-	259779
	1962	203780	1.0	160	-	203620
	Var. %	-21.6		o	-	- 21.6
Building and Public Works	1954	1389832	7.4	233850	23884	1132098
	1962	1657320	8.7	247720	13260	1396340
	Var. %	+19.2		+ 3.7	-44.5	+ 23.3
Other Manufacturing Industries	1954	5103865	27.1	568332	112378	4423155
	1962	5354900	28.2	430520	73680	4850700
	Var. %	+ 4.9		-24.8	-34.4	+ 9.7
including: Metal Trades	1954	1045739	5.6	34847	2775	1008117
	1962	1258480	6.6	29340	1380	1227760
	Var. %	+20.3		-15.8	o	+ 21.8
Electrical Construction	1954	210652	1.1	5174	486	204992
	1962	311480	1.6	3480	320	307680
	Var. %	+47.9		o	o	+ 50.1
Petrol and Fuels	1954	29650	0.2	125	5	29520
	1962	43440	0.2	260	-	43180
	Var. %	+46.2		o	o	+ 46.3
Textiles	1954	647171	3.4	23164	3564	620443
	1962	530520	2.8	15620	1640	513260
	Var. %	-18.0		-32.6	o	- 17.3

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(1)	(2)	(3)	(4)	(5)	(6)	(7)
Clothing	1954	472244	2.5	103904	10325	358015
	1962	383080	2.0	65700	5760	311620
	Var. %	-18.9		-36.8	o	-13.0
Feathers and Skins	1954	242738	1.3	64192	7741	170805
	1962	197460	1.0	39900	3600	153960
	Var. %	-18.6		-37.8	o	- 9.9
Transport	1954	775378	4.1	48907	6699	719772
	1962	796980	4.2	50500	4460	742020
	Var. %	+ 2.8		+ 3.3	o	+ 3.1
Commerce, Banking and Insurance	1954	2681171	14.2	916204	290860	1474107
	1962	2950620	15.6	856580	232920	1861120
	Var. %	+10.1		- 6.5	-19.9	+26.3
including: Banking and Insurance	1954	244820	1.3	15789	1205	227826
	1962	320180	1.7	18100	840	301240
	Var. %	+31.0		+14.6	o	+32.2
Services (Private Sector)	1954	1708340	9.0	401988	23105	1283247
	1962	1908960	10.1	393240	21800	1492920
	Var. %	+11.7		- 1.9	- 5.6	+16.3
Public Service, Government Departments and Army	1954	1620715	8.6	3027	106	1617582
	1962	2078020	11.0	8380	360	2069280
	Var. %	+28.2		o	o	+27.9
Total	1954	18847523	100.0	4109618	2513997	12223908
	1962	18956320	100.0	3681440	1685100	13589780
	Var. %	+ 0.6		-10.4	-33.1	+11.2

o The relative variations have not been calculated when the figure in 1954 or in 1962 was below 10,000.

Source: I.N.S.E.E. Bulletin Hebdomadaire de Statistiques, 8 June, 1963.

N.B. Only the subheadings which are the most significant from the point of view of the growth or reduction in numbers have been given.

If the numbers of independent workers and family workers are added together it will be seen that the total fell from 6,623,615 in 1954 to 5,366,540, a reduction of 1,257,057 (-19 per cent.) which is largely attributable to the deflation in the agricultural sector, where the independent workers and family helpers dropped from 3,968,289 in 1954 to 3,007,240 in 1962, a reduction of 961,049 (-24.3 per cent.). Foreign immigration, the return of Frenchmen from the ex-colonies and the rural exodus have therefore combined their effects to facilitate the necessary reconversion, which is at one and the same time a cause and a consequence of the rapid development of the French economy.

B. Good statistical data are likewise available for Italy.

(a) In the first place , a picture of the structure of employment from 1950 to 1959 provided by two studies by the S.V.I.M.E.Z. (Associazione per lo sviluppo dell'industria nel Mezzogiorno - Association for the Development of Industry in the Mezzogiorno) may be used. Table I-2-12 gives the particulars which are most useful for our purpose.

Table I-2-12. Comparison of the Structure of Employment in Italy between 1950 and 1959

Sector of Activity (1)	Employment (in thousands) (2) 1950	1959	Absolute change (thousands) (3)	Mean annual rate of change in employment (4)
Agriculture, forestry, hunting and fishing	6,870	6,200	- 670	- 1.1
Industries:	5,392	6,540	+ 1,148	+ 2.2
a Extractive	144	140	- 4	- 0.4
b Manufacturing	4,045	4,680	+ 635	+ 1.5
1 Tobacco and food	505	550	+ 45	+ 1.0
2 Textiles	705	600	- 105	- 1.8
3 Clothing, feathers and skins	660	820	+ 160	+ 2.8
4 Wood, furniture	395	475	+ 80	+ 2.1
5 Metallurgy	150	140	- 10	- 0.8
6 Metals	970	1,280	+ 310	+ 3.1
7 Manufacture of non-metallic mineral products	205	250	+ 45	+ 2.2
8 Chemistry and rubber	240	295	+ 55	+ 2.3
9 Miscellaneous	215	270	+ 55	+ 2.6

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(1)	(2)	(3)	(4)
c Construction and public works	1,110	1,610	+ 500	+ 4.2
d Electricity, water and gas	93	110	+ 17	+ 2.3
Services	4,578	5,910	+ 1,332	+ 2.9
a Transport and communications	560	985	+ 425	+ 6.5
b Commerce	1,625	2,180	+ 555	+ 3.3
c Credit, insurance and finance	163	180	+ 17	+ 1.0
d Miscellaneous services	735	875	+ 140	+ 2.0
e Public administration	1,495	1,690	+ 195	+ 2.9
General Total	16,840	18,650	+ 1,810	+ 1.15

Two different sources have been used -

1. Svimez, L'aumento dell'occupazione in Italia dal 1950 al 1957, Rome, 1959, (cf. table on p. 58 "Stima dell' occupazione italiana negli anni 1950-57"; in which estimates for each of the years of this period will be found).

2. Svimez, Trained Manpower Requirements for the Economic Development of Italy, Targets for 1975, Rome, 1961 (tables on pp. 21 and 28).

(b) More recent data will now be provided by reproducing some of the results of the monthly inquiry by the Italian Ministry of Labour. This inquiry is carried out in 43 branches of industry by means of questionnaires and relates to about 20,000 establishments comprising about 2 million wage earners, i.e. 55 per cent. of wage earners in the whole of Italian industry - in certain branches all the establishments are interrogated; in others the questionnaire is sent only to the establishments which employ at least ten persons. Table I-2-13 gives the results for the years 1950, 1958, 1959, 1960, 1961 and 1962.

Table I-2-13. Average Number of Workers employed in 43 Sectors of Industry, broken down by Branches of Industry - in Thousands (Sample Survey)

Branches of Industry	1950	1958	1959	1960	1961	1962
Extractive industries	57.2	47.8	42.2	39.6	37.3	35.0
Manufacturing industries	1631	1705	1709	1825	1948	2051
- Foodstuffs	93	111	112	116	123	127
- Textiles	525	408	409	429	434	439
- Engineering industry and transport equipment manufacture	624	726	724	790	868	937
- Chemical industry	109	132	133	142	150	158
- Various	280	327	331	348	374	390
Electricity	34	39	39	39	40	42
General Total	1722	1791	1791	1904	2025	2129

Source: Cf. for example, the Preliminary Report by the Italian Authorities to the Manpower and Social Affairs Committee of the O.E.C.D., Paris, 10 February 1964, p. 61 (roneoed). The statistics have been rounded. The general total therefore does not correspond exactly to the sum of the items.

The above table does not pretend to give an accurate reflection of reality, since this is a sample survey; but since it is based on a fairly large sample, it may be considered as giving an acceptable picture of changes in the structure of employment in Italy; the trends observed for the period 1950-59 continue to show themselves in 1960-62 - a decrease in the number of workers recorded in the extractive industries, an increase in engineering, the chemical industry, electricity and foodstuffs, and a fall in the textile industry.

It may also be observed that the increase in employment in the service sectors continues - 4,831,000 persons were employed in these sectors in 1954(8 May); the figures are 6,162,000, 6,461,000 and 6,412,000 respectively on 20 April 1960, 20 May 1961 and 20 April 1962.[1]

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[1] The slight fall in 1962 is due to the reduction in total employment (-0.2 per cent.) which was a consequence of the extension of the time spent at school and other minor causes. Cf. Report quoted at the foot of Table I-2-13. The seasonal influences should also be noted.

(c) The exceptional growth in the German economy must be explained above all by the considerable increase in total employment in consequence of the arrival of the refugees from the East, the complete absorption of unemployment and the immigration of foreign workers. Altogether, between 1950 and 1962 the employed civilian labour force rose from 20,365,000 to 25,689,000, an increase of 5,315,000 persons (+26 per cent.). Table I-2-14 summarises the trend in paid employment.

Table I-2-14. Trend in Paid Employment in Germany (Fed. Rep.) - in Thousands, Variations in Percentages

Sectors	1950	1957	1958	1959	1960	1961	1962	Var.% 1957-1962
1. Agriculture, forestry, hunting and fishing	1.000	685	630	595	545	550	465	-32%
2. Mining and quarrying	7.655	795	782	759	727	692	657	-17%
3. Manufacturing		7685	7845	7904	8172	8477	8751	+14%
4. Construction		1895	1885	1997	2015	2072	2133	+13%
5. Electricity, gas, water and sanitary services		160	164	165	167	172	174	+ 9%
6. Commerce, banking insurance, and real estate	5.310	2540	2575	2635	2745	2786	2907	+14%
7. Transport, storage and communication		1220	1222	1240	1255	1209	1208	- 1%
8. Services		3240	3297	3410	3614	3651	3574	+10%

Source: National statistics collected by the O.E.C.D. in Manpower Statistics 1950-62. It is unfortunately impossible to go back beyond 1957 if a relatively acceptable breakdown into eight sectors of activity is desired. Our calculation of the variations in per cent., 1957-62.

The most striking feature of this table is the remarkable intensity of the change in the structure of employment. Most particularly the heavy fall in the number of wage earners in agriculture and the considerable increase in the number of wage earners in the sectors of services, building and manufacturing industry as a whole will be noted.

D. As regards the United States, where the statistics exist in great abundance[1], it will be sufficient to reproduce a table published in the Manpower Report to the President.[2]

Table I-2-15. Employment in Industry Divisions, 1947 1957 and 1962 in the United States

Industry Division	Employment (in thousands)			Average Annual Employment Change			
	1947	1957	1962	1947-57		1957-62	
				No. (1,000)	%	No. (1,000)	%
Total Agricultural employment	8,256	6,222	5,190	-203	-2.8	-206	-3.6
Total of non-farm industries (wage and salary employment only)	43,881	52,904	55,325	902	1.9	484	0.9
Manufacturing	15,545	17,174	16,750	163	1.0	- 85	-0.5
Mining	955	828	647	- 13	-1.4	- 36	-4.8
Contract Construction	1,982	2,923	2,696	94	4.0	- 45	-1.6
Transportation and public utilities	4,166	4,241	3,925	8	0.2	- 63	-1.5
Trade	8,955	10,886	11,571	193	2.0	137	1.2
Finance, insurance and real estate	1,754	2,477	2,793	72	3.5	63	2.4
Services and miscellaneous	5,050	6,749	7,757	170	3.0	202	2.8
Government	5,474	7,626	9,185	215	3.4	312	3.8

1962 - Provisional figures

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[1] Cf. for example: John P. Henderson, Changes in the Industrial Distribution of Employment 1919-1959, University of Illinois, 1961; Max Rutzick and Sol Swerdloff, "The Occupational Structure of U.S. Employment 1940-60", Monthly Labor Review, November 1962, pp. 1209-1213.

[2] Op. cit. p. 16. This is a more condensed table.

With these basic data it is now, if not easy at least possible, to attempt a comparison of the different extent of occupational mobility in the four countries.

Section 2. Attempted Comparison of Occupational Mobility

The first aim must be to make the available statistics as homogeneous as possible by bringing out the mean annual rates of variation in employment in different sectors of activity (table I-2-16).

Table I-2-16. Mean Annual Rates of Variation in Employment

Sectors	United States (1947-62)	France (1954-62)	Italy (1950-59)	Germany (1957-62)
Agricultural employment (wage earners + family workers + employers	- 3.6	- 3.7	- 1.1	- 3.3
Non-agricultural employment (wage earners only, except for Italy - all categories)	0.9	1.8	2.5	2.0
Breakdown of paid non-agricultural employment (except for Italy - all categories of paid and non-paid employment)				
1. Manufacturing	- 0.5	1.1	1.5	2.7
2. Extractive industries	- 4.8	- 2.0	- 0.4	- 3.7
3. Construction	- 1.6	2.7	4.2	2.5
4. Transport	- 1.5	0.4	6.5	- 0.2
5. Water, gas, electricity		2.2	2.3	1.7
6. Commerce, banking, insurance	1.5	3.0	3.2	2.7
7. Misc. services (private)	2.8	1.9	2.0	2.0
8. Public services	3.8	3.1	2.9	
United States, agricultural workers, read - 3.6				

It seems indispensable to make a correction to the rates of variation in employment given in table I-2-16, in order to take account of the growth in the active population employed in each of these countries during the periods selected.

One may consider that if over any period the number of wage earners in each sector were to increase in precisely the same proportion as the number of wage earners in the population as a whole, this would reflect an unchanged employment structure. From the (positive or negative) percentage change in employment (x) for each sector as shown in table I-2-16, we may deduct a part (y) corresponding to that sector's pro rata share of the increase in the total wage-earning population. This is done in table I-2-17.

Table I-2-17. Mean Annual Rates of Variation in Employment taking Account of the Increase in the Total Employed Population

	United States (1957-62)	France (1954-62)	Italy (1950-59)	Germany (1957-62)
Mean annual percentage of growth in the total manpower employed	0.9	0.1	1.1	1.2
Rates of change x - y:				
A. Agricultural employment	- 4.5	- 3.8	- 2.2	- 4.5
B. Non-agricultural employment	0.0	1.7	1.4	0.8
1. Manufacturing	- 1.4	1.0	0.4	1.5
2. Extractive industries	- 5.7	- 2.1	- 1.5	- 4.9
3. Construction	- 2.5	2.6	3.1	1.3
4. Transport	- 2.4	0.3	5.4	- 1.4
5. Water, gas, electricity		2.1	1.2	0.5
6. Commerce, banking and insurance	0.6	2.9	2.1	1.5
7. Misc. services (private)	1.9	1.8	0.9	0.8
8. Public services	2.9	3.0	1.8	

Note: Total manpower employed (in thousands):
United States: 65,011 in 1957 and 67,846 in 1962;
France: 18,254 in 1954 and 18,715 in 1962
Germany: 24,235 in 1954 and 25,680 in 1962
According to Manpower Statistics, O.E.C.D.
Italy: 16,840 in 1950 and 18,650 in 1959
According to Svinez.

These annual rates of change in employment take account of the stagnation in the French active population and of the increase (about 1 per cent. per annum) in the active population in the other countries.

Having regard to the semi-global character of the classification of activities and, of course, to the fact that statistical data are only approximations, the annual variations in employment may be ignored when they oscillate within narrow limits, for example + or - 1 per cent. Outside these bounds, a few conclusions are worthy of mention.

Taking first the sectors in which employment has declined, these may be divided into two categories -

Those in which the mean annual reduction in employment has varied between - 1 per cent. and - 3 per cent. and in which the occupational mobility of the adults has probably been moderate, since the young workers have in general decided to move in large numbers into the expanding branches. In the United States the manufacturing industries and especially construction and transport may be cited, in France and Italy the extractive industries, in Italy (1950-59) agriculture, and in Germany transport.

Those in which the reduction in jobs has exceeded 3 per cent. per annum and in which important problems of reconversion have certainly arisen - agriculture in France and especially in Germany, in the United States and very recently (1960-62) in Italy, and the extractive industries in the United States and the Federal Republic of Germany.

As against this, the same percentages could be taken for the sectors which have increased the number of jobs. Problems of attracting and training young workers and retraining adults are likely to be considerable in sectors experiencing as rapid an increase in employment as transport in Italy and the public services in the United States and France. Building activity in Italy, and to a lesser extent in France, should also be mentioned.

From the two preceding statistical tables it will also be noted that the United States seems to have been particularly affected by the problems of adaptation of labour lacking needed qualifications (cf. table I-2-2 regarding the comparative rates of unemployment). The United States holds the "record" in the reduction of employment by sector (- 5.7 per cent. per annum in the extractive industries) and stands out by the existence of five branches of activity (out of eight) in which employment has, on an average, fallen. This compares with two sectors (out of nine) in France and Italy, and three (out of eight) in Western Germany. At first sight, the particularly rapid economic growth in Europe has favoured the solution of the problems raised by the reconversion of labour.

The principal objection that could be raised concerns the number of sectors of activity taken - in tables I-2-16 and I-2-17 rates of variation in employment have been reproduced or calculated in the agricultural sector and in eight branches of non-agricultural activity. This is evidently quite insufficient if it is desired to have a clear idea of occupational mobility, especially within the group of manufacturing industries.

"Within manufacturing, for example, which typically accounts for from 60 to 80 per cent. of employment in the industry sector, it is well known that there are both rapidly growing and rapidly contracting industries. Between 1953 and 1960, for example, employment in textiles fell by 22 per cent. in Argentina and the United States, by 17 per cent. in Canada, by 14 per cent. in France, by 21 per cent. in Sweden, and by 30 per cent. (cotton textiles only) in the United Kingdom. During the same period employment in the production of electircal machinery increased by 17 per cent. in Argentina and Sweden and by 34 per cent. in the United Kingdom, while employment in chemicals grew by 13 per cent. in Canada and France."[1]

Without carrying this type of analysis too far, it may be useful to give a few annual rates of variation of employment in certain branches.

In France to begin with, the total manpower in the textile industry (including the clothing sector) fell from 1,119,415 in 1954 to 913,600 in 1962, which represents a reduction of 18.4 per cent. in eight years and an annual rate of -2.5 per cent. In the metal trades and electrical industries employment rose from 1,256,391 in 1954 to 1,569,960 in 1962 - the mean annual growth is 2.8 per cent. As for government officials, there were 1,508,000 in 1952 and 1,590,000 in 1964, but this is a deceptive stability of a whole whose parts have considerably changed - national education doubled its strength (263,000 in 1952 and 545,000 in 1964), postal services and communications created 58,000 jobs (+ 29 per cent.), whereas career soldiers fell in number from 495,000 in 1952 to 253,000 in 1964.[2] On calculating, it is seen that the mean annual rates of variation in employment were as follows: +6.2 per cent. (national education), +2.1 per cent. (postal services and communications) and -5.4 per cent. (career soldiers).

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[1] I.L.O. Employment and Economic Growth, p. 11.

[2] Sources: for the industries, cf. table I-2-11; as regards government officials, the official statistics given in the journal La Vie Française, 10 July 1964, p. 28.

In the Federal Republic of Germany it will be seen that employment in chemicals (including the industries of derivatives from petroleum and coal) rose from 407,000 in 1957 to 497,000 in 1962, which represents an increase of 22.1 per cent. in five years and a mean annual rate of 4.1 per cent.; employment in machinery manufacture grew by 34.7 per cent. in five years, an average of 6.1 per cent. per annum.

In Italy 6,077,000 agricultural jobs were recorded in 1960 and only 5,521,000 in 1962 - the drop is one of 9.2 per cent. in only two years. In the same short space of time, paid employment in extractive industries and manufacturing, construction and the water, gas and electricity services taken together rose from 7,502,000 to 8,105,000, or by 8 per cent.

The study by M. Rutzick and S. Swerdloff, which has already been quoted, shows for its part the extent of the change in the structure of employment in the United States.

"Between 1950 and 1960 the employment of all persons with occupations reported grew by 10.3 per cent., white collar workers increasing by nearly 28 per cent. to a total of almost 3 million more than manual workers, whose employment rose by less than 6 per cent. The occupations with the most rapid rates of growth were electrical and electronic technicians (679 per cent. in ten years - from less than 12,000 to over 91,000), mathematicians (345 per cent.) and industrial engineers (142 per cent.). Among manual workers employment dropped in eight out of 22 occupations - by 33 per cent. among boilermakers, 32 per cent. among locomotive firemen and 22 per cent. among locomotive engineers. Agricultural workers, classified separately, dropped by over 41 per cent."[1]

The sole purpose of this rapid incursion into the realm of employment statistics by industry was to recall the necessarily limited value of the earlier conclusions. The trends in the structure of employment by major sectors of activity enable only the general tendencies in each country to be seen. Further information about problems of labour mobility in individual undertakings is contained in the case studies annexed to this report. But it is at least already possible to note certain conclusions and to compare the respective positions of the United States and the three large countries of continental Western Europe.

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[1] I.L.O., Employment and Economic Growth, pp. 11 and 12.

1. The reduction in the number of non-wage earners, expressed as a percentage of non-wage earners in the base year, is 21 per cent. in Italy (1954-62), 20 per cent. in France (same period), 28 per cent. in Germany (1950-62) and 25 per cent. in the United States (1950-62), as has already been stated.

2. Having regard to the different demographic increases in each country (cf. table I-2-17), the classification of the countries in descending order of importance as regards the change in the structure of employment is given in table I-2-18.

Table I-2-18. Countries arranged according to the Percentage Change in Employment (+ or -) in Different Sectors of Activity

Agriculture	Extractive Industries	Manufacturing	Construction	Commerce Banking Insurance	Public Service
United States and	United States	Germany	Italy	France	France
Germany	Germany	United States	France	Italy	United States
France	France	France	United States	Germany	Italy
Italy	Italy	Italy	Germany	United States	Germany

Source: Table I-2-17. It may simply be noted here that the United States' experience is not exceptional; it occupies very different places in these classifications.

CHAPTER 3

LABOUR TURNOVER

The turnover of workers from one undertaking to another may occur with or without change of residence, and therefore with or without geographical stability. It may also be accompanied - or not - by changes of occupation or sector. An electrician may leave a mine for a job in a steel works or in another mine; but a baker leaving his "industry" must change his trade completely. An agricultural worker may change his farm or his trade and then move from one sector of activity or industry to another.

To begin with, the sources available in the United States, Germany, France and Italy will be examined (Section I). Then (Section II) the trends and the rate of turnover in each country will be considered. Finally, (Section III) some international comparisons will be attempted.

Section I. The Sources

(a) The American Data.

In the United States the turnover statistics are provided, on the one hand by continuous series published by the United States Department of Labor: "Employment and Earnings", reproduced in the "Handbook of Basic Economic Statistics" of the Economic Statistics Bureau of Washington. For example, "Handbook ..." 15 May 1964, Vol. XVIII, No. 5, pp. 66-7, and "Employment and Earnings", United States Department of Labor, April 1964, pp. 57-66. These statistics distinguish between accession and separation. Among the separations are the following types -

1. voluntary separation by the worker after a long illness (quit);
2. dismissal on the employer's initiative, generally due to a fault of the worker (discharge);
3. lay-off (ending of the contract of employment, generally for economic reasons);
4. departure on military service; and lastly
5. final separation for various reasons (invalidity, decease or retirement).

The statistics give the monthly rates of separation and accession or engagement, calculated as the quotient of all the cases which occurred during the month over the figure of paid wage earners on the 15th of the month (or the nearest day to this date), for a rate per 100 employees. The rates, which are monthly, are thus influenced by the length of the month. Rates are calculated separately for total separations and for the two biggest components of the total, namely "quits" and "lay-offs". A mean monthly rate is calculated. These statistics relate solely to manufacturing, mines and communications.

In addition, the Monthly Labor Review[1] published in August 1963 the main results of a national survey of the job mobility of the active civilian population in 1961. They may be compared with those of a 1955 survey. The concepts used are those of job changers and job shifts. The first concept applies to all those who changed jobs at least once during the year. The rates in both cases are calculated in relation to all persons who worked during the year. These inquiries into all branches and all active persons include agriculture, commerce and public administration. They likewise distinguish between occupation and sex.

(b) The German Data.

The Federal Office for Employment Placement and Unemployment Insurance (henceforward referred to as the Federal Office) carried out in 1959, 1960 and 1961 sample inquiries into the turnover of wage-earning personnel in all economic sectors, with the aid of its card-indexes of wage earners.[2] The rate of turnover (Fluktuationsgrad) calculated is the percentage of workers who changed jobs in relation to the wage earners who had a job during the period under consideration. The calculation of this rate therefore seems to be comparable to that of the American rate of job changers.

The German inquiry also shows the percentage of job changers, changing jobs once, twice or three or more times. From this it would be possible to estimate the number of job changes.

(c) The French Data.

These are based on the statistical utilisation of the income tax statements of wages paid to workers by the employers (form 1024 for the private sector and 1024 bis for the undertakings of the nationalised or "semi-public" sector). They cover all economic activities in industry and mines, commerce, private services and transport but not agriculture. These documents give the number of workers registered on 31 December of each year, on the one hand (a) and, on the other hand, the number of workers paid for any length of time by each undertaking or establishment during the year (b), part-time workers being excluded. The relation between these two figures is calculated and published in "Etudes Statistiques" (prior to 1954 a "supplement" to the monthly bulletin of statistics), sometimes under the name of "co-efficient of stability" (since 1954), sometimes as the "average duration of employment" (quotient of (a) over (b)), and sometimes as the "co-efficient of turnover" (quotient of (b)) over (a) . It is always a matter of comparing the number of workers present on a given date (31 December) with the number of those who have held jobs, i.e. been registered as full-time workers, during a period, by an employer, although certain inexactitudes result from the fact that the declarations are not necessarily drawn up for the same technical unit from one year to another in the case of firms with several establishments. In consequence, changes of job between establishments which appear in certain years may not be shown again in another year. It is nevertheless thought that this does not seriously affect comparability between the years.

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[1] Monthly Labor Review, August 1963, p. 897, Gertrude Bancroft and Stewart Garfinkle: "Job Mobility in 1961" and ibid, April 1960, p. 350, R.L. Stein: "Unemployment and Job Mobility".

[2] Amtliche Nachrichten der Bundesanstalt für Arbeitsvermittlung, und Arbeitslosenversicherung 1961 No. 5, 1962 Nos. 4, 5, 6 and 7.

(d) The Italian Data.

Surveys have been carried out for the years 1958 to 1962 by "l'Associazione industriale Lombarda" under the direction of Dr. Franco Leidi. They cover the workers in the various manufacturing industries in the Milan region (food and drink trades, chemical, rubber, metallurgical and mechanical industries, textiles and others). The surveys give -

1. an accession rate (saggio di immissione) calculated according to the percentage relation between the number of workers who entered the establishments and the average number of workers.
2. a separation rate (saggio di eliminazione) calculated by the percentage relation between the number of workers who left and the average number of workers.
3. a flux rate (saggio di fluttuazione) calculated by the sum of the first two rates.

The separation rates are of special interest here. They distinguish between five situations - discharges or dismissals, voluntary separations, decease, transfers to another establishment belonging to the same firm, transfers on promotion. It may be noted that the Italian definitions are similar to the definitions used in the American monthly inquiry. This similarity is still closer because of an identical periodicity for the second Italian source, the monthly inquiry of the Ministry of Labour and Social Insurance. It provides the monthly rates as a percentage of the average number of wage earners at work in the establishments with more than ten workers (in certain cases all the establishments are included[1].

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[1] Published in each issue of: Statistico del Lavoro (quarterly).

The inquiry is carried out by the Labour Inspectors in 18,500 establishments (about 1,750,000 workers or 55 per cent. of the workers employed in Italian industry), 43 sectors brought together into seven branches (including metallurgical and mechanical industries and transport, food and drink trades, mining and quarrying, electricity, miscellaneous industries, textiles and chemicals). For 13 of the 43 sectors, all the establishments are covered by the inquiry; for the others, only the establishments with more than ten workers.

(e) The Swedish Data

Two Swedish sources have been used. The more important are the statistics of labour turnover in industry (departures of separations, and engagements or accessions.[1] These are the weekly rates in 11 branches of industry, including mining, and in industry as a whole.[2] The separation rates are calculated as the number of workers who left the undertakings, expressed as a percentage of the number of wage-earners at work during the pay period covered by the inquiry (a week). These are therefore separation rates without any distinction between the reasons for departures. The statistics are available in complete form for the period 1959-1963.

A second source gives the quarterly turnover rates in retail trade.[3]

Section II. Trends in the National Rates of Turnover

The main question relates to the trends in general turnover rates in the period under consideration; subsidiary questions refer to the trends in certain characteristic rates and to the causes of the trends in the general rate.

1. The American Case

(a) The surveys of job mobility.

The results of the two surveys of 1955 and 1961 show a slight reduction in the general rate (all activities, all ages, for both sexes) from 11.1 per cent. to 10.1 per cent. The table, taken from the Monthly Labor Review, 1963, No. 8, p. 898, gives an analysis of this movement by age and sex. For men, a general reduction in all age groups except 65 years and over may be noted. For women also, a general reduction is seen, though it is very slight, from 8.7 per cent. to 8.6 per cent., but the rates for the age groups fall in two cases only, among which it is the 55 to 64 years group, whereas they rise in the 18 and 19 years group, and in that of 20 to 24 years.

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[1] Avgangna arbetare Nyanställda arbetare. The translation of the Swedish document gives: Number of wage earners hired and discharged during one week ... in per cent. of the number of wage-earners at work during the pay period.

[2] In Sociala Meddelanden, for example, No. 2, February 1962, p.25.

[3] These statistics are published with the data on employment in the mining and manufacturing industries in "Meddelande från Socialstyrelsens ... Communication from the section of wage and employment statistics". General statistics covering several years are published in Arbetsmarknadsstatistik, for example, No. 2, 1964, p. 33, table 37.

Table I-3-1 Rate of Job Changing, by Age and Sex, 1955 and 1961
(Active Civilian Population)
(Numbers in Thousands)

Age and Sex	Worked in 1961			Worked in 1955		
	Total	Persons who changed jobs one or more times: Number	Persons who changed jobs one or more times: Percent. of total	Total	Persons who changed jobs one or more times: Number	Persons who changed jobs one or more times: Per-cent. of total
Total, 14 years and over	80,287	8,121	10.1	75,353	8,366	11.1
Male, 14 years and over	49,854	5,509	11.0	47,624	5,940	12.5
14 to 17 years	2,926	261	8.9	2,541	328	12.9
18 and 19 years	1,946	457	23.5	1,618	444	27.4
20 to 24 years	4,507	1,101	24.4	3,509	976	27.8
25 to 44 years	21,062	2,630	12.5	21,516	2,825	13.1
45 to 64 years	16,512	960	5.8	15,331	1,262	8.2
65 years and over	2,901	100	3.4	3,109	105	3.4
Female, 14 years and over	30,433	2,612	8.6	27,729	2,426	8.7
14 to 17 years	2,044	118	5.8	1,663	179	10.8
18 and 19 years	1,789	397	22.2	1,508	314	20.8
20 to 24 years	3,476	568	16.3	3,367	501	14.9
25 to 54 years	17,995	1,348	7.5	16,932	1,278	7.5
55 to 64 years	3,782	156	4.1	3,067	131	4.3
65 years and over	1,347	25	1.9	1,192	23	1.9

Source: Monthly Labor Review, 1963, No. 8, p. 898.

Referring to opinions that mobility has been diminishing in the United States, the authors note, "There is no clear evidence, therefore, that this type of mobility has been significantly reduced". As to the job shifts (voluntary and involuntary) as a percentage of the persons who worked, the reduction from 1955 to 1961 is still less - 10.9 per cent. to 10.6 per cent. for the total (Monthly Labor Review, table 2, p. 898). The job loss rate grew from 1955 (4.2) to 1961 (5.3), while the rate of the voluntary changes dropped (6.7 to 5.3). This difference must of course be attributed to the employment situation in the two years under consideration - 1955 was a year "when the employment situation was very good" and 1961 saw the end of a recession and a recovery, though 13 million workers were registered as unemployed at some time during the year.

(b) The surveys of the turnover of wage earners in industry.

Through an examination of the results of the monthly surveys of turnover by the Bureau of Labor Statistics the results over a long period of years can be compared. We have taken the period 1954-1963 and have made up annual series of separation rates by adding together the monthly percentages, so as to have a rate measured by the quotient of the total separations (quits) during the year over the average monthly total of those at work (on the fifteenth of the month), multiplied by a hundred.[1] We also give the unemployment series for each year. The absolute unemployment figures (in millions) have been added to the unemployment series.

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[1] The monthly rates in these statistics are not adjusted in relation to the number of days of the month, but in the addition this source of error is compensated by the cumulation of the long and short months.

Table I-3-2 **Annual Turnover Rates in Percentages of the Average Numbers at Work in the Middle of Each Month (Since 1959, Including Transfers Between Establishments of the Same Firm)**

Years	Total Separations		Quits		Lay-Offs		Unemployment		
							Per cent.	In Millions	
1954	49.2		16.8		27.4		3.6	5.6	
1955	46.8	-	22.7	+	17.9	-	2.9	4.4	-
1956	50.2	+	23.2	+	20.8	+	2.8	4.2	-
1957	50.7	+	19.4	-	25.2	+	2.9	4.3	+
1958	49.3	-	12.8	-	31.4	+	4.7	6.8	+
1959	48.8	-	17.9	+	23.7	-	3.8	5.5	-
1960	51.7	+	16.1	-	25.5	+	3.9	5.6	+
1961	48.4	-	14.5	-	26.6	+	4.8	6.7	+
1962	48.8	+	17.0	+	23.5	-	4.0	5.6	-
1963	46.6	-	16.7	-	22.0	-	4.2	5.7	+

Each column of each series has been followed by a column in which the trend in the variation of the rates, as compared with the preceding year, is given from 1955 onwards. If the "trend" columns for the unemployment and quits series are compared, inverse trends will be noted in every case - the quit rates fall (rise) whenever the unemployment rates rise (fall).

The comparison of the "total separations" and unemployment trends does not give any clear relationship, which is easily explained because the lay-off rates vary in the opposite sense to the quits, save in two years, 1956 and 1963. For 1956 the rate of total separations rises in relation to the previous year, like that of the lay-offs and quits. For 1963 the rate of total separations drops in relation to the previous year, like that of the quits and lay-offs. During these two years unemployment varied very little by comparison with the previous year. An inverse relationship between the unemployment trend and that of the quits is very clearly seen. Clearly, it can not be concluded that there is a firm trend towards a reduction in the "total separation" rate.

An examination of the variations in the three rates under consideration (quits, lay-offs, total separations), interpreted with the aid of the foregoing analysis, does not lead to the conclusion that there is a continuing trend towards a reduction in labour turnover in the United States. Those trends are affected essentially by the situation of the labour market and of general economic activity. The conclusion drawn from the study of the two surveys of 1955-61 is thus confirmed by an examination of the monthly series of the Bureau of Labor Statistics.

(2) The German Case

The statistical data relate to the years 1959-1960-1961, that is to say a period of progressive disappearance of unemployment (the rate of unemployment dropped from 2.4 to 0.8 between 1959 and 1961) but of growing tensions on the labour market. However, certain industries grew less rapidly than the others, especially coal mining. Because of the increasing shortage of labour, which was felt by employers, a rise in the turnover rate might be expected, at least that of voluntary quits mobility; but the disappearance of unemployment may bring about a reduction in lay-offs.

In fact, the percentage of workers who changed their employment each year, in relation to the workers employed, fell heavily in the period, in the order of 25 per cent. to 30 per cent.

Table I-3-3 Annual Rate of Job Changers in All Occupations (Salary and Wage Earners) per cent. per annum[1]

Years	Men	Women	Total
1959	16.3	14.9	15.8
1960	14.7	14.1	14.5
1961	11.7	11.1	11.5
Base 100 in 1959			
1960	90	94	92
1961	72	74	73

It may be seen that the reduction in the rate of change even accelerated from 1959-1960 to 1960-1961.

The reduction occurred in all the branches without exception. A particularly high rate of reduction is observed in building (-38 per cent.); this is explained by the application in 1960-1961 of the legal measures concerning inclement weather compensation.

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[1] Source: Amtliche Nachrichten, 1961-62: Sonderdruck: Die Fluktuation der Arbeitskräfte im Bundesgebied einschliesslich.

From one year to another the classification of the branches in descending order of the rate of change of employment remains nearly the same. It therefore seems that a common factor has exerted its influence on the economy as a whole.

The same observation is valid for the different regions, except in the city of Bremen, as a consequence of the crisis in the Borgward works, and apart from the period 1959-1960 in the "Rhineland-Hesse-Nassau" region. The separation rate by regions appears to be influenced at times by the employment situation in the regions. The three regions or cities with the highest separation rates in 1961 (Bremen, West Berlin, Schleswig-Holstein) are also those which have the highest unemployment rates. But, for the rest, other factors intervene, in particular the diversity of the industrial structure, and no general relationship appears between unemployment and separation rates. Finally, the inter-regional statistics show the remarkable similarity between the mobility rates for men and women, particularly in 1961. The rates for men are generally a little higher than those for women, but the two rates come progressively nearer to each other.

Table I-3-4 Annual Rate of Job Changers in All Occupations: Men and Women in Four Regions or Cities and as a Whole (1959-1961)[1]

	1959		1960		1961	
	Men	Women	Men	Women	Men	Women
Schleswig-Holstein	20.6	17.2	16.9	15.7	14.3	14.2
Hamburg	15.1	12.3	14.3	12.5	12.0	11.6
North Rhine-Westphalia	14.4	13.6	13.3	13.3	9.9	9.8
West Berlin	21.1	19.8	16.6	17.3	14.8	14.8
General	16.3	14.9	14.7	14.1	11.7	11.1

The drop in the turnover rates both for men and for women is accompanied by great stability in the frequency of job changes by sex, the women showing a higher stability than the men.

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[1] Source: Sonderdruck, p.5.

Table I-3-5 Frequency of Job Changes (Percentage Distribution)

Frequency of Changes during the Year	Men			Women		
	1959	1960	1961	1959	1960	1961
1	64.3	66.1	65.6	72.8	73.5	72.7
2	21.6	20.6	21.0	18.2	17.4	18.5
3 and more	14.1	13.3	13.4	9.0	9.1	8.8

Source: Sonderdruck, p. 6.

This phenomenon seems therefore to depend upon factors entirely different from those which govern the trends in the turnover rate. Still, the relationship between these two phenomena (turnover rate and frequency of job changes for a single individual) changed during the period. The 1959 survey revealed a certain relationship between the rate of turnover in different sectors of the proportion of "frequent movers" - the smaller the proportion of "frequent movers" the lower was the rate of turnover. But in 1960 this relationship was not very clear. It was not more so in 1961. The following table gives examples for three branches of industry.

	Mobility Rates 1961	Percentage of Frequent Movers (twice and more per annum)
Manufacturing Industries (except metal)	11.3	27.6
Mines	7.8	27.8
Transport	5.4	35.5

Source: Sonderdruck, p. 7.

To what factors can the massive reduction in the turnover of labour in Germany during the three years under consideration be attributed? The general nature of this phenomenon, in all the branches and regions, obliges us to seek the causes in factors common to economic activity as a whole; doubtless particular factors have played a part, as in the case of building, but they do not suffice to explain the general phenomenon.

What, a priori, are the general factors capable of influencing the size of the turnover rates? On the basis of the earlier studies the following may be enumerated among the general factors in the variation of these rates:

(a) age;

(b) sex;

(c) proportion of foreigners in the labour force;

(d) the situation of the labour market (unemployment, number of first jobs);

(e) the size of establishments; and

(f) migration.

These various points will be examined successively.

(a) Age.

The age structure of the German active population, counted in five-year groups, did not greatly change in industry as a whole during the three years under consideration, although a considerable change took place in the proportion of those "under 20 years", which fell from 16.5 per cent. to 13.5 per cent. in the active male population under 45 years of age and from 10 per cent. to 8 per cent. in the total active male population. In the mining industry this evolution is still clearer, since the "young" labour in the Ruhr mines fell from 6 per cent. in 1959 to 4 per cent. in 1961.

As turnover is greatest in the first years after starting work, this reduction in the proportion of young workers no doubt played some part (but only a small one because of the small proportion of young workers in the total labour force) in accounting for the general reduction in rates of labour turnover.

(b) Sex.

The proportion of the active male population in the total active population likewise remained practically stable.

(c) Foreigners.

Their number rose between July 1958 and June 1961 from 160,000 to 470,000 and increased further to 900,000 in 1963. But this increase would have tended to raise the average turnover rate and not reduce it.[1]

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[1] Turnover rates among foreign workers are higher than they are among all wage-earners or even than among all labourers, as the following figures (from Amtliche Nachrichten, 1964, p.231), show.

(footnote continued on p. 101)

(d) The Labour Market.

The trend of unemployment since 1958 is given in the following table in absolute figures, in percentages of the active population and in percentages of change in comparison with the previous year.

Table I-3-6 Unemployment 1957-1961 (in thousands)[1]

	1958	1959	1960	1961
Absolute Figures	685	480	240	160
Percentage of the Active Population	2.7	1.9	0.9	0.6
Percentage Change in Comparison with the Previous Year	+3	-30	-50	-38

To this table may be added another showing the increase, in absolute figures and percentages, of the non-agricultural active wage-earning population, the average reduction in unemployment from one year to another, and the proportion of unemployed who were absorbed into the additional active population.

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[1] (footnote continued from p. 92)

Rates of Turnover

	Men	Women	Whole
Foreigners (1963)	23.6	21.7	23.1
All labourers (1961)	17.4	15.4	16.7
All wage-earners (1961)	11.7	11.1	11.5

These differences doubtless derive to a great extent from the types of industry (seasonal), the marital status (bachelor) and the age (young persons) of the foreign workers, rather than from their nationality.

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[1] Source: Statistisches Jahrbuch fur die Bundesrepublik Deutschland, 1960-63.

Table I-3-7 The Growth of the Labour Force and the Absorption of Unemployment[1]

	1958	1959	1960	1961
Non-Agricultural Active Population ('000s)	17,940	18,335	18,985	19,495
Increase ('000s)		395	650	510
Percentage Increase		2.2	3.4	2.5
Unemployed Absorbed During the Year ('000s)		205	240	80
As Percentage of the Additional Active Population		52	37	16

The fall in unemployment since 1959 has no doubt been associated with a decreate in the number of dismissals, though it may also have made people more willing to quit their jobs voluntarily.

Finally, it may be assumed that the high turnover rates in 1959 were due to the recovery and the increase in the active population (new engagements). This hypothesis is fully confirmed by an examination of the monthly minima and maxima of unemployment in the two years 1959 and 1961.

Table I-3-8 Recipients of Unemployment Benefit[2]

	1959	1961	Variation
Maxima (January)	1,350,000	320,000	1,160,000
Minima (December)	190,000	90,000	230,000

Whereas in 1959 the net re-engagements of unemployed exceeded a million, they were only 230,000 in 1961. These two situations entailed considerable differences in turnover to the extent to which the re-engagements took place in the year of dismissal. In our view this is the major explanation for the German phenomenon of a fall in the turnover rates between 1959 and 1961.

(e) The Size of Establishments.

Although there are no data for the period 1959-1961, it is known that from 1950 to 1961 the number of workers employed in the large establishments (more than a thousand workers) increased by nearly 100 per cent. The growth in the number of workers, by category of establishments according to size, was greater where the establishments were bigger (cf.: Wirtschaft and Statistik, 1963, No. 9, p. 539). Thus, 3,468,000 workers were employed in 1961 in establishments with more than 1,000 workers. In the period 1950-1961 the percentage of workers employed in these establishments rose from 12.7 to 16.6 per cent., while the percentage of workers employed in those with fewer than ten workers fell from 36.7 to 27.5 per cent. But this trend covers a period of ten years, ending in 1961, whereas the present period under consideration covers only the last three years.

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[1] Source: Statistisches Jahrbuch ..., 1959-62.

[2] Ibid.

(f) Migration.

Consideration must now be given to the part played by migration, especially the geographical movements of refugees and displaced persons, as also the effort to localise industry in the zones of priority from 1955 onwards.[1]

The fall in total migration per thousand inhabitants since 1956 is given in the following table:[2]

1956	1957	1958	1959	1960	1961
65.7	63.3	62.2	62.3	60.7	60.6

If it is admitted that the "economic establishment" of a migrant may demand two or three years the above trend may be regarded as one of the factors making fordiminution in the turnover rate.

(3) The French Case

Since 1950 the French statistics give a "coefficient of stability" of labour, which is the inverse of a turnover rate. No doubt this result does not have the precision of the American, German and Italian turnover rates. No distinction is made according to the origin of the change (discharge or voluntary termination); those newly engaged are counted amongst the workers paid at some time during the year. Lastly, from one year to another changes between establishments belonging to the same firm have appeared.

However, the series of coefficients of stability for the economy as a whole (except agriculture and public administration) for manufacturing, textiles, metal trades and electrical industry, banks, insurance and building (building and public works) are given below.

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[1] On this subject see the chapter on mobility policies in Germany.

[2] Ibid.

Table I-3-9 Coefficients of Stability[1]

	High						Low	Low	Low	High		Low
	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961
Economy as a Whole	70	66.8	66.6	(1)	67	66	65	65	64	70	68	65
Manufacturing	66	65.2	64.6				63	64	65	70	64	64
Textiles	79	78.8	75.3		77	75	75	76	75	78	77	76
Metal Trades and Electrical Industry	75.1	70.2	71.2		71	72	69	70	70	74	72	63
Banks Insurance	84	80	81.2		80	79	80	80	80	79	79	75
Commerce	68	62.5	62				60	60	61	63	63	62
Building Public Works	55.4	49.5	49		51	50	49	51	52	65	55	55

(1) Blank spaces due to the absence of comparable data.

The trends observable for the complete period are not definite for the economy as a whole. On the one hand, the coefficients for the various activites do not move in the same way for a given year in relation to the previous year; on the other hand, during the period, rises and falls alternate for each activity and for the economy as a whole, year by year. In any case two years of low turnover (high stability) can be distinguished - 1950 and 1959, and four years of high turnover (low stability) - 1956 to 1958 and 1961. The trends for the economy as a whole are reflected for these years in most of the branches. From the employment point of view 1956-1958 and 1961 were years of high tension in the labour market, marked by many unfilled vacancies and few unsatisfied applications for work. On the contrary, the years 1950 and 1959 show minima of vacancies and maxima of applications. It may therefore be said that when strong variations in the coefficients of mobility - or stability - occur these variations are determined principally by the situation on the labour market.

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[1] Sources: Bulletin mensuel de statistiques, supplément trimestriel, 1951 to 1954, Etudes statistiques, 1955 to 1962.

If two years of high stability and high turnover which are relatively far apart, for example 1950 and 1959 on the one hand, and 1957 and 1961 on the other, are compared, each of the two years of each group having a comparable labour market situation, a relative constancy of the coefficients of stability in each group may be seen. It should nevertheless be noted that the textile industries, which are always in difficulty, have a practically stable coefficient.

Table I-3-10 Coefficients of Stability for Years of Comparable Economic Activity (1950, 1959 : 1957, 1961)[1]

	1950	1959	1957	1961
Economy as a Whole	70	70	65	65
Manufacturing	66	70	64	64
Textiles	79	78	76	76
Metal Trades and Electrical Industry	75.1	74	70	63
Banking and Insurance	84	79	80	75
Commerce	68	63	60	62
Building and Public Works	55.4	55	51	55

It may therefore be concluded that there is a relative stability in the turnover trends between firms in France and, as in the United States but even more so, that the situation in the labour market has a strong influence.

(4) The Italian Case

The results of the surveys by the Associazione Industriale Lombarda do not give global turnover rates but particular rates by industry, qualification or profession and size of establishment. But a definite view of the general trend of this phenomenon may be obtained from the rates by qualification or profession, subdivided into two categories of establishments - more and fewer than 250 workers.[2] Only the results excluding the internal movements within the establishments (by transfers or promotions) are given below. A marked increase in all the turnover rates (separations - eliminazione) for each category and from one year to another may clearly be seen in table I-3-11.

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[1] Sources as for Table 1-3-9

[2] Il ricambio del lavoro nelle industrie milanesi, risultati del 1962; reepilogo del quinquennio 1958-1962, Milano, 1964.

Table I-3-11 Labour Turnover in Italy (Industry in Milan Region)[1]

	Establishments With Fewer Than 250 Workers					Establishments With More Than 250 Workers				
	1958	1959	1960	1961	1962	1958	1959	1960	1961	1962
Salaried Employees - Men	5.4	8.6	9.9	12.5*	11.1	7.8	8.3	9.1	12.5	11.6
Salaried Employees - Women	8.6	9.9	13.2	13.6	14.5	11.3	12.9	12.7*	13	12.6*
Foremen (men and women)	8.2	6.6*	5.3*	5.6	7.6	6	5.6*	6	5.1*	5.2
Workers - Men	15.4	14.2*	19.7	23.8	27.9	11.2	11.5	13	17.8	21.5
Workers - Women	22.3	20.2*	19.5*	23.8	24.2	19.1	18.9*	19.3	20.4	21
Apprentices	20.7	24.8	31.7	43.5	42*	10.9	16.8	20	29.4	29.8

Save in exceptional cases (marked with an asterisk), the rise in the separation rate is general. However, the relative stability for the women salaried employees, the "intermedi" and the women workers in establishments with more than 250 workers may be noted. This general rise in turnover rates is in contrast to the German situation, which shows a general fall in the turnover rates, including manufacturing, for which the Italian statistics so far analysed are valid (the Lombardy region may be regarded as fairly representative of the whole).

There is a second source for Italy - the statistics of the monthly turnover rates for workers in industry, based on inquiries by the Ministry of Labour in 18,500 establishments belonging to 43 industrial sectors, covering more than one-half of the labour force in Italian industry. In most cases they are establishments with more than ten workers. The rates, calculated per 1,000 workers, distinguish between engagements and terminations, and for the latter the same causes as the survey by the Lombardy Industrial Association. In addition to the total of the separation rates (usciti) we have taken the rate of discharges and voluntary separations (demissioni). As for the industries, we have selected only the group of "metallurgical industries and metal trades and means of transport". To obtain annual results we have, as for the statistics of the United States Bureau of Labor Statistics, added together the monthly rates without taking account of the different number of days in the month. We thus obtain for the period 1958-1961 the following results whose trend accords well with that provided by the surveys carried out by the Lombardy Association.

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[1] Source: Il ricambio del lavoro nelle industrie milanesi, 1964, pp. 115, 116.

Table I-3-12 Rates of Turnover per 1000 Workers in Industry[1]

	Metallurgical Industries Metal Trades and Means of Transport			Industry as a Whole		
	Discharges	Voluntary Separations	All Separations	Discharges	Voluntary Separations	All Separations
1958	89	42	183	136	47	255
1959	75	56	184	140	62	252
1960	70	89	212	127	94	272
1961	63	138	245	120	126	302

It will be noted that the global workers' turnover rates (all separations) have definitely increased for the group of industries selected as well as for industry as a whole. The rates of discharges have regularly diminished for the metallurgical industries etc., and in general for the whole of industry. The rates of voluntary separations have on the contrary nearly trebled for industry in general and more than trebled for the group. It may therefore be deduced that the cause of the rise in the global turnover rate derives essentially from the increase in voluntary separations.

This phenomenon may be attributed to the economic expansion and to the increasing shortages of labour which result on the labour market. This would be in line with experience in the United States. But have not the expansion and the shortage been equally great in Germany, where the inverse phenomenon has been observed? Although the economic activity factor cannot be considered as entirely without effect, the principal causes of the Italian phenomenon must therefore be sought elsewhere. They will in our view be found in the structural changes which occurred in the Italian active industrial population between 1958 and 1962.

It is a general principle of the analysis of the phenomenon of turnover that the rates are highest among young persons and among the "first engagements". The Italian active industrial population grew between 1958 and 1960 from 5,200,000 to about 6,400,000, an increase of 1,200,000 or 23 per cent. There are three main sources of this increase, two of which are decisive for the present analysis. First, from 1958 to 1961 the number of unemployed in search of a first job, the great majority of whom are, moreover, less than 25 years old, diminished by 400,000. And although it is not known how many of them went into industry, this proportion may be estimated at about three-quarters. Next, the agricultural population fell, between 1958 and 1962, from 6,100,000 to 5,500,000, a reduction of 600,000. Here again the number of transfers into industry is not known, but a similar estimate may be given. But from the industrial point of view these are "first engagements". Lastly, the number of ordinary unemployed dropped by 300,000. But it cannot be considered, a priori, that these newly-employed have a higher turnover rate than the average.

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[1] Source: Statistiche del lavoro, Ministerio del Lavoro: Tassi di usciti, 1959-62.

Further, it should be noted that from 1958 to 1962 there was little variation in the total Italian active population, since it moved between 8 November 1957 and October 1962 from 20,400,000 to about 20,700,000, an increase of 300,000, which is found in part amongst the "unemployed in search of a first job".

It may therefore be estimated that the 1,200,000 new workers in industry are roughly divided as follows:

(1)	Decrease in the unemployed in search of a first job	400,000	
	Number of the above employed in industry (estimate)		300,000
(2)	Decrease in the active agricultural population	600,000	
	Number of the above transferred to industry (estimate)		450,000
(3)	Decrease in the unemployed in industry		300,000
(4)	Demographic increase (not included in (1))	300,000	
	Number of the above in industry (estimate)		150,000
			1,200,000

Out of this total, which forms 23 per cent. of the industrial population employed in 1958 and 18.5 per cent. of the industrial population employed in 1961, there are 900,000 workers ((1), (2) and (4)), mostly young, who were taken on for the first time in an undertaking. This is 14.7 per cent. of the industrial population of 1961.

This injection of young or of new workers into industry is in our view the essential explanation for the great increase in the turnover rates observed in all categories and all industries between 1958 and 1962, a period in which Italy succeeded, for the first time during its existence as an industrial nation, in wiping out its mass structural unemployment.

The effect of the structural factor analysed above is naturally added to the effect of the factors of expansion on the labour market. It is moreover evident that the second phenomonon conditions the first, but the latter has a dominant effect of its own.

(5) The Swedish Case

An examination of the monthly separation rates in industry shows a definite rise from 1959 to 1960-61 and a slight fall at the end of 1962 and the beginning of 1963. The annual rates in industry show the maximum attained in 1961 and stabilisation from 1962 to 1963 but at a much higher level than in 1959. The quarterly rates in retail trade from 1958 to 1962 have a clearer tendency to rise even after 1961.

Turnover rates in industry seem to be strongly influenced by the situation on the labour market, as reflected in the trend in unemployment[1], at least when this is substantially changing, as in 1959 to 1961. On the other hand, slight variations on the labour market do not have any clear influence upon turnover rates. However the stabilisation of the separation rates from 1962 to 1963, in spite of the increase in unemployment, is explained by the fact that the discharges affected the building industries most of all, in consequence of the severe cold.

In so far as these work stoppages did not entail a break in the contracts of employment, this would explain that the turnover rates did not fall from 1962 to 1963. On the other hand, a decrease in mobility among the miners and in industry would seem to be attributable to the increased difficulties in finding new work rather than to a growing propensity to retain present work.[2] The growth in the rates of turnover from 1959 to 1963 in Sweden can be attributed to -

(1) the decrease in unemployment and especially to full employment in 1961;

(2) the growth in employment in industry as a whole and in mining (about 8 per cent. from 1958-1959 to 1962);

(3) the rejuvenation of the active population;

(4) the fall in the number of workers in industries with low turnover rates (mining) and the growth in the number in industries with a high turnover rate (commerce).

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[1] Unemployment has been taken in the west coast regions and the Vänor counties, which are sufficiently representative of industry as a whole.

[2] Cf. The Swedish Economy, April 1963, Konjunkturinstitutet, Stockholm, p. 54.

Section III. Attempted International Comparison

Is it possible to compare statistical data on the turnover rates in the various countries? The differences of definition of the rates and the differences in the content of the figures which constitute the relationships make this comparison difficult and sometimes impossible. However, the trends are generally comparable and this is the point which will be recalled first. Afterwards a comparison of the magnitude of the turnover rates, in the cases in which this is possible, will be attempted.

(1) Comparison of the Trends.

In the United States and France, as has already been noted, there is no marked trend towards a rise or a fall; there are fluctuations around a relatively stable trend, the fluctuations apparently closely linked to the situation on the labour market.

On the other hand, the trends in Italy and Germany have a very clear orientation, but in a contrary direction, and an attempt has been made to explain this movement in each of the countries by structural factors proper to them.

(2) Comparison of the Rate of Turnover in the Various Countries.

The Italian inquiries by the Ministry of Labour, like the surveys made by the Lombardy Association, resemble the American monthly surveys by the Bureau of Labor Statistics by their definitions[1], their periodicity and their field of application. The results, since 1958 and for the years for which data are available for the two countries, will be compared in the following table:

Table I-3-13 Job Shifts per cent. per annum. All Industries. U.S.A. and Italy

	All Separations		Voluntary Separations (Quits)		Discharges (Lay-Offs)	
	U.S.A.	Italy	U.S.A.	Italy	U.S.A.	Italy
1958	49.3	25.5	12.8	4.7	31.4	13.6
1959	48.8	25.2	17.9	6.2	23.7	14
1960	51.7	27.2	16.1	9.4	25.5	12.7
1961	48.4	30.2	14.5	12.6	26.6	12

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[1] However, in the United States transfers between establishments belonging to the same firm have only been included in the "total separations" since 1 January 1959.

The American rates are all definitely higher than the Italian rates. But for the "all separations" and "voluntary separations" rates, and especially for the latter, which is the most significant of all as regards mobility, the Italian rates clearly tend to move nearer to the American rates.

The American surveys for 1955-1961 may also be compared to the German inquiries for 1959-1961. The American notion of "job changers" per 100 workers engaged in industry is indeed close to the German notion of "workers employed during the period who have changed jobs at least once" in relation to the number of workers employed during the period. The interest of these two surveys derives also from their field of application (all activities) and the sometimes similar use which has been made of them. However, a considerable difference from the point of view of coverage distinguishes the two surveys - whereas the German inquiry relates only to wage earners (Arbeitnehmer) the American survey covers the whole of the active population, independent workers included. Further, it may be noted that the American survey is based on questionnaires whereas the German one rests upon an analysis of the card indexes of workers in the labour offices.[1]

Table I-3-14 Rates of Turnover - United States and Germany (Federal Republic)

	Total				Men				Women			
	U.S.A.		Germany		U.S.A.		Germany		U.S.A.		Germany	
Years	1955	1961	1959	1961	1955	1961	1959	1961	1955	1961	1959	1961
All activities	11.1	10.1	15.8	11.5	12.5	11.0	16.3	11.7	8.7	8.6	14.9	11.1
Workers, all categories				14.0		12.3		14.1		9.4		13.8
Salaried employees				5.0		9.1		3.4		10.1		6.7
Labourers[2]				16.7		16.4		17.4		10.6		15.4

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[1] It is worth considering whether the card indexes in the offices do not weight the mobile workers excessively in comparison with the stable ones.

[2] Labourers in agriculture and mining are included for Germany but excluded for the United States. However, the rates for the categories in Germany are respectively 15.7 and 12.1, averaging 14, whereas the maximum rate is 28.8 (building) and the minimum 7.6 (transport).

Table I-3-14 (contd.)

	Total				Men				Women			
	U.S.A.		Germany		U.S.A.		Germany		U.S.A.		Germany	
Years	1955	1961	1959	1961	1955	1961	1959	1961	1955	1961	1959	1961
Construction						25.0		23.2				
Private services[1]						12.1		19.2		8.7		16.4
Agriculture						9.1				5.2		
Forestry, fisheries						15.9						
Agriculture, forestry, fisheries								16.7				11.8
Manufacturing[2]						9.7		10.7		8.5		11.9
Public Administration						6.6		3.7		6.8		8.0
Commerce[3]						14.2		11.6		11.9		8.8
Transport[4]						8.2		5.5		9.0		4.6

Sources: Monthly Labour Review, August 1963, Table 9.
Sonderdruck, p. 9, 12.

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[1] The definition of services in the group of "non-agricultural industries" does not include domestic services in the United States.

[2] Manufacturing in this table refers to "manufacturing" in the United States and "Verarbeitende Gewerbe", excluding "Eisen-und Metallerzeugung und-verarbeitung" in Germany (manufacturing, excluding the production and manufacture of iron and metals). But the rates for these last two groups are close to each other.

[3] For Germany:- commerce, banking, insurance; for the United States:- wholesale and retail trade.

[4] All means of transport, including the Federal Railways for Germany (Verkerswesen); transportation and public utilities for the United States.

The above table reveals remarkable similarities between the turnover rates in Germany and the United States, especially if for industry as a whole the year of higher employment in the United States (1955) is compared with the year which is regarded as "normal" (after eliminating exceptional turnover factors) and which likewise shows a high level of employment for Germany (1961).

	All		Men		Women	
	U.S.A.	Germany	U.S.A.	Germany	U.S.A.	Germany
	1955	1961	1955	1961	1955	1961
All activities	11.1	11.5	12.5	11.7	8.7	11.1

According to this general comparison, the male turnover rate is slightly higher in the United States, while the inverse is true for the women, the averages being very close together.

For the separate categories of workers shown in table 1-3-15 figures are available only for 1961, while in the case of the United States only the results for the two sexes separately (cf. Monthly Labour Review, August 1963) have been obtainable. For workers (all categories) the German rates are higher for both men and women. But in both cases the rate for females is lower than that for males, although only slightly so in Germany. The American rate for salaried employees is definitely higher than the German one and in both countries the female rates are higher than the male. Lastly, in the case of the labourers the similarity is striking for the men but in Germany the women are less likely to stay in the same jobs. A further point to note is the identical gradation of the rates in the two countries from the "salaried employees" category to that of workers (all categories) and then to that of labourers.

As regards economic sectors, the comparisons are less sure by reason of the differences in the structure of the sectors and in the statistical definitions. However, the similarity is clear with a slightly higher American figure for the most comparable group - construction. For men in agriculture, even allowing for the different breakdown of this activity, it seems that mobility in the United States is lower, which is explicable by the fact of the advance made in this country in the process of transfer into industry (14 per cent. of labour occupied in agriculture in Germany in 1961 as against 9 per cent. in the United States). The rates for manufacturing are close to each other, with a slightly higher figure for Germany, but the year 1961 was more favourable in Germany than in the United States from the point of view of employment. Turnover in public administration is definitely higher in the United States, for men, but slightly lower for women, and it is higher in the United States for men, but slightly lower for women, and it is higher in the United States for both sexes in commerce[1] and transport. As against this, mobility in private services is higher in Germany than in the United States. These impressions are summed up in the following table:-

Table I-3-15 Sectoral Comparison of Rates of Turnover (Men) in the United States (1961) and Germany (1961)

The rate in the United States as compared with Germany is	Much higher	Slightly higher	Slightly lower	Much lower
	Public administration Commerce[2] Transport[2]	Construction	Manufacturing	Private Services[2] Agriculture, Forestry and Fisheries[2]

The arrangement of the sectors in descending order of turnover rates is closely similar in the two countries.

Table I-3-16 Sectors in Descending Order of Turnover[2]

Germany	United States
1. Construction	1. Construction
2. Private services	2. Forestry, Fisheries
3. Agriculture, Forestry, Fisheries	3. Commerce
4. Commerce	4. Private services
5. Manufacturing	5. Manufacturing
6. Transport	6. Agriculture (excluding Forestry and Fisheries)
7. Public administration	7. Transport
	8. Public administration

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[1] For commerce the inclusion in Germany of banking and insurance may explain the difference.

[2] See notes to previous table.

The near-identity of the averages of the turnover rates, the similarities in certain particular rates and the close correspondence in the order of sectors are all remarkable and may suggest a certain comparability in the behaviour of United States and German manpower. It should in any case be recalled that the American surveys which served for the comparison with Germany cover the entire labour force, while the German inquiries are concerned only with wage earners. As the self-employed have a lower mobility than wage earners, this must affect the comparison.

(3) Comparison of the "Industrial Mobility" Function of Turnover.

The German and American surveys of 1955-1961 permit yet another type of comparison, since they show the role of turnover in the transfers of labour from industry to industry.

Table I-3-17 Percentage of Job Changers Remaining in the Same Industry[1]

	Germany	U.S.A.	
		Men	Women
Construction	70.8	68.3	
Agriculture	53.1	43.0	54.5
Manufacturing (durables)	50.3	52.9	73.4
Manufacturing (non-durables)	49.9	47.1	62.1
Commerce, Banking, Insurance	45.0	42.2/48.7 (1)	48/76.8 (1)
Public Administration	39.0	39.9	
Transport	30.7	48.4	
Mining	28.8		

Here again the similarities between the two countries are striking, at least if account is taken of the two components (men and women) for certain industries in the United States. If it is admitted that turnover has an indispensable functional role as a factor in inter-sectoral mobility, then in order to reduce turnover while maintaining mobility the percentages of those remaining in the same branch would have to be lower. The similarity of the percentage figures in the table shows that the part played by job changes as a factor in inter-sectoral mobility is somewhat similar in the two countries. (It is not of course implied that job changes within the same industry do not also have an important functional role - many such changes reflect advancement or promotion or in any case better utilisation of human capacities.)

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[1] Sources: Monthly Labour Review, August 1963. Sonderdruck, p. 17.

[2] The first figure is for wholesale and retail trade; the second figure is for service and finance.

(4) Comparison Between Sweden and the United States.

The comparison of the turnover rates between these two countries may be attempted by using the American monthly statistics and converting the Swedish weekly statistics. We have multiplied the Swedish weekly rates by 4.3 and added together the monthly series thus constructed, just as we added the American monthly rates, to obtain annual indices. These processes may be a little clumsy but they can provide a basis for comparison.

The Swedish statistics, which are less complete than the American figures, give the rates of engagements and discharges of "wage earners". It therefore seems that they must be compared with the rates of "new hires" and "discharges". However, the absence of precision in this second concept in the Swedish statistics makes it necessary for the moment to compare only "new hires" with "engagements". It must also be noted that the American statistics are calculated for wage and salary earners, whereas the Swedish figures cover only "arbetare" (wage earners). Finally, the American statistics relate only to "manufacturing", whereas the Swedish statistics include mining.

Table I-3-18 Annual Rates of New Hires1959-1963[1]
(per cent.)

Years	1959	1960	1961	1962	1963
U.S.A.	31.4	26.4	26.0	29.9	28.6
Sweden	34.8	44.7	44.7	38.3	40.4

In the years shown here, only 1959 gives figures which are close together, the highest of the series for the United States and the lowest for Sweden. For Sweden this was a year in which unemployment was on the average high but in which the number of unemployed fell heavily during the year, dropping from 55,000 in January to 24,000 in December. Unemployment did not cease to fall until 1961, though it rose again afterwards but only slightly.

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[1] Sources: Handbook of Basic Economic Statistics, May 1964, pp. 66-67. Sociala Meddelanda, Avganga arbetare ..., Feb. 1962, p. 25.

For the United States the year 1959, in contrast to 1958, showed a low average unemployment (3,813,000 or 5.5 per cent. against 4,618,000 or 6.8 per cent. in 1958) and the lowest in number and percentage of the whole period 1959-1963.

A surprising feature is revealed by the graph of the turnover rates (engagements) - the American and Swedish curves show a scissors movement throughout the period. The American figures always move in the opposite direction from unemployment, but this is not the case in Sweden, where the unemployment trend seems to have no relation to the trend in the engagement rates. On the other hand, a certain relationship seems to exist between the trends from one year to another of the Swedish engagement rates and the exports. It may therefore be stated as a hypothesis that the turnover rates (engagements) in the United States are determined by the internal market trends and in Sweden by the external market trends, which is not surprising having regard to the respective importance of foreign trade in the two countries.

However, turnover, expressed by the rate of engagements, seems to be definitely higher in Sweden than in the United States. However, various factors must be taken into consideration in this connection -

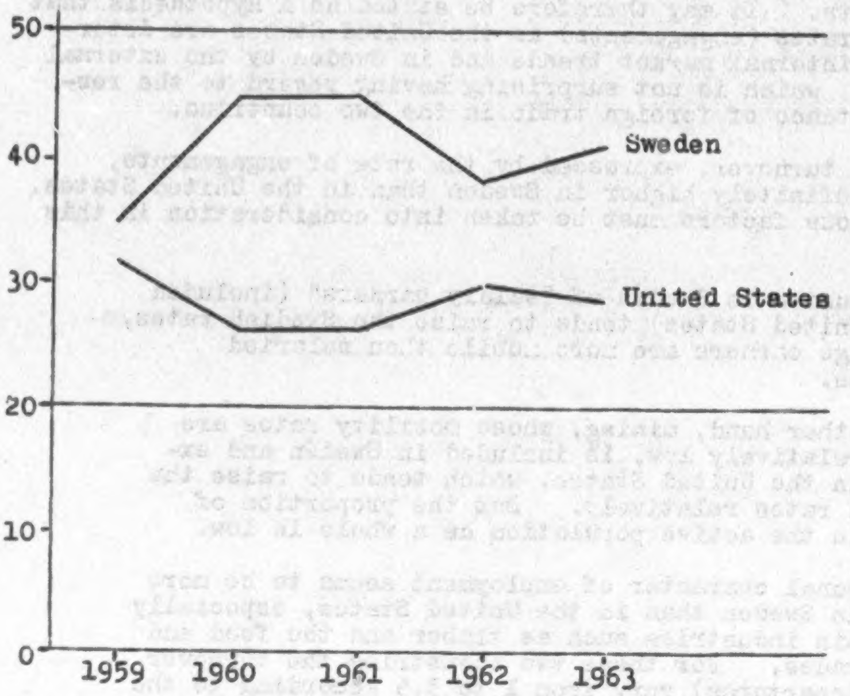
(a) The exclusion in Sweden of "salary earners" (included in the United States) tends to raise the Swedish rates, since wage earners are more mobile than salaried employees.

(b) On the other hand, mining, whose mobility rates are always relatively low, is included in Sweden and excluded in the United States, which tends to raise the American rates relatively. But the proportion of mining in the active population as a whole is low.

(c) The seasonal character of employment seems to be more marked in Sweden than in the United States, especially in certain industries such as timber and the food and drink trades. For these two industries the turnover rates (departures) vary from 1 to 3.5 according to the months. Taken together they employ about 20 per cent. of the industrial population (in 1952); in the United States the figure is 4.2 per cent. (in 1962).

(d) Finally, the relatively higher turnover rates in Sweden may also be explained by the growth, which is greater in this country than in the United States, of the working population employed in industry. From 1959 to 1962 the number employed in all manufacturing in the United States (wage and salary earners) remained

Annual Rates of Turnover (Engagements)



> practically stable (16,675 in 1959 and 16,860 in 1962, an increase of more than 1 per cent.[1], while in Sweden the employment of wage-earners alone in manufacturing and mining (where employment is falling) increased by about 8 per cent.[2]

It may therefore be concluded that the relatively higher mobility found in Sweden by comparison with the United States, according to the engagement rates, is explained essentially by factors specific to Sweden relating to the evolution of the active population, the importance of the very seasonal industries and the statistical distortion due to the exclusion of "salary earners" from the Swedish figures.

CONCLUSION

This examination of turnover rates makes it possible, in spite of difficulties of comparison, to see the trends and the extent of labour turnover in the United States, compared with France, W. Germany, Italy and Sweden.

Labour turnover, in France as in the United States, seems to be decisively influenced in extent and direction by the situation in the labour market. Over the period studied no firm upward or downward trend is to be seen in either country.

W.Germany experienced a great reduction in its turnover rate from 1959 to 1961 for reasons examined above. But the size of the turnover rates in Germany is remarkably comparable to that of the American rates. Further, the functional role of turnover in occupational mobility is very comparable in these two countries. Although in Italy turnover rates have risen very considerably since 1958, these rates still remain much lower than in America. But they are tending to catch up with them, as Italy is becoming a more highly industrialised country. The Swedish turnover rates (engagements) are generally higher than the corresponding American rates, but structural factors peculiar to Sweden seem to explain this difference.

Excluding France, because of the lack of comparability of the data, the following classification according to the extent of labour turnover may be suggested:

At the head would come Sweden - the statistics compared for this country and the United States are concerned with the rates of engagement (accessions) in relation to the number of workers.

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[1] O.E.C.D. Manpower Statistics, p.132.

[2] The Swedish Economy, op. cit., p.40.

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These rates are equivalent in 1959 and are then definitely higher in Sweden for the period 1960-1963.

In second place would be the United States whose turnover rates approximate those of Germany. But in the case of the latter country the statistics are for wage earners, whereas for the United States they are for "the entire labour force". In the inquiry for 1961 the proportion of the two categories mainly composed of independent workers (farmers and farm managers, managers, officials and proprietors except farms), accounted for 5.4 per cent. of the "job shifts" for the men and 2.3 per cent. for the women. The incidence of the lower turnover rates for these categories is thus very limited.

Last would come Italy. The statistics used for the comparison with the United States are those for the separation rates. The rates are going up in Italy but they nevertheless remain definitely below the American rates.

PART II

POLICIES FOR IMPROVING LABOUR MOBILITY

INTRODUCTION

The observer is struck by the small amount of legislation in Europe designed to increase, or more exactly to bring to their optimum level, the geographical and occupational mobility of workers. With the exception of Sweden, it may be said that the various measures so far adopted, and even more so those effectively applied, are few in number and of limited effect.

Yet it is easy to detect that for several years there has been an awakening of political conscience which is beginning to bear fruit - over-all measures are being progressively adopted both nationally and internationally.

There is no need to be excessively surprised at this lack of enthusiasm shown by the legislators since 1945. As distinct from the United States of America, it may be recalled that the countries discussed here in some detail have seen unemployment reduced to very low levels, often below what it was formerly agreed to regard as the incompressible minimum. In such an economic situation, the labour market progressively advancing towards a state of full employment and often over-employment (shortages in certain sectors and certain regions), never demanded an urgent, active and conscious manpower policy. It is, of course, possible to contest this point of view by arguing, quite properly indeed, that full employment is by no means synonymous with "best possible employment" but in the prevailing atmosphere, the distinction has not been much emphasised.

It may be seen that the growing awareness of the importance of the problems of mobility show themselves only slowly, when particular phenomena occur, either of political origin like the massive arrival of repatriates (Germany, France) or of economic origin such as a serious regional structural disequilibrium (Sweden, Belgium and especially Italy) or sectoral disequilibrium (crises in the coal industry, shipbuilding and ship repairing, and, of course, problems raised by the structural surpluses of agricultural labour).

During the 1950s the governments of the Western countries registered with satisfaction the disappearance of the classical cyclical crises and their replacement by very short periods of stagnation (which were not even periods of recession) in a general atmosphere of exceptional economic development. The public authorities did not think it necessary to make the working out of policies for adapting and/or retraining labour one of their foremost concerns, but placed their condifence in this sphere in the spontaneous workings of the market. It is only quite recently that those responsible have begun to realise that it is possible by appropriate measures to raise the already high rate of economic growth or - at least - to maintain this rate when full employment has been reached and tends to lead to a slowing down of the tempo of growth and progress.

Amongst those who have alerted economists, politicians, employers and trade unions to the urgent need for finding a policy for the constant adaptation of labour to changing conditions, only two particularly authoritative authors will be mentioned here, Professor Sauvy and Mr. G. Rehn.[1]

For more than 15 years Professor A. Sauvy, former Director of the National Institute of Demographic Studies (Paris) and at present professor at the Collège de France, has been drawing attention to the close links between maximisation of growth rates and the need for a planned reconversion of a very large part of the active population, very particularly in France, where the labour force remained static in size between 1950 and 1962.

"Full employment in a period of economic growth is incompatible with stability of employment. The movements of labour which are necessary for adapting production to consumer demand, and the appropriate orientation of new labour are thus a condition of equilibrium and economic growth. The movements always take place but with more or less delay, more or less difficulty, more or less damage, discontent and suffering for the workers, depending on whether the development is left to take place of itself or whether an attempt is made to foresee it and to act in consequence upon the orientation of labour, upon investments, etc.

"The question of employment is one of the main preoccupations of the General Commissariat of the Plan. For the last ten years forecasts have been made of the active population."[2]

In a Report to the Congress of French-speaking Economists Professor A. Sauvy declared -

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[1] See also I.L.O.: Unemployment and Structural Change, Studies and Reports, N.S. 65, Geneva, 1962.

[2] Introductory editorial note to an article by Françoise LERIDON, "Dix ans d'expérience de prévision de l'emploi", Population, 1961, No. 3, pp. 427-428. Underlining in the text.

"In fact, even under a liberal regime vocational training does not obey market considerations alone. It is guided not simply by the ideas which parents and educators may have regarding future openings but also by the real or supposed aptitudes and especially the occupation judged to be the most agreeable or advantageous ....

"What interests us here is the *brake applied to development by the slowness of occupational migration*. This is no doubt the real brake, at least in France today ....

"More and more, in modern societies, education and vocational training are the essential motors of the economy .... *Our national revenue of tomorrow may therefore be read in our school programmes of today*."[1]

The same point of view is found in a recent article by Gösta REHN, Director of Manpower and Social Affairs in the O.E.C.D.

In the author's view there is no automatic mechanism that makes a rational readjustment of the workers very probable -

"Ironically enough, the individual most often is made aware of his need to readjust by being deprived of his means for re-adjustment: he becomes unemployed, or, in the case of a business-man, bankrupt. Financially and psychologically depressed, he is hardly in a position to make a sound decision regarding his most rational future place in the economy. Instead he takes the first job offered him. He is, in effect, forced to function irrationally ....

"The existence of a high turnover of labour .... is a sign of the low rationality of the movements which occur. If *mobility* were promoted by measures which, at the same time, improved the rationality of each placement of a worker on a vacant job, one could expect *turnover* to decline ....

"*Investment in adaptation*, a parallel to the investment in education and other investments in human resources, should therefore be given a much larger place than hitherto as a part of a policy for economic growth."[2]

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[1] "Développement économique et répartition professionnelle de la population", *Revue d'économie politique*, 1956, pp. 372-396. Underlinings by the author.

[2] Gösta REHN, "Manpower Adaptability and Economic Growth", *O.E.C.D. Observer*, No. 1, November 1962. Underlinings in the text. See also, by the same author, *The Case for Expansion of Labour Market Policy as an Instrument of Economic Progress*, Paper for the Meeting of Senior Economic Advisers, ECE, March 1961, roneoed.

These ideas, put forward at first by a few pioneers (and intentionally only two of them have been quoted), are now being taken seriously into consideration by the legislators, who were already strongly influenced by the daily activities of the International Organisations. Mention may be made in particular of the E.C.S.C.[1], the O.E.C.D.[2], and the I.L.O., three of whose recent publications may be mentioned -

(1) *Employment Objectives in Economic Development*, Report of a meeting of experts.[3]

(2) *Unemployment and Structural Change*.[4] Reference should be made especially to Chapter XII which discussed "Measures Directly Affecting Displaced Workers" - resettlement allowances, retraining facilities, public works and unemployment compensation (constant reference is made to the concrete policies of numerous countries).

(3) *Employment and Economic Growth*.[5] The report includes a very large number of statistical observations and suggests a body of economic and social policies. Measures to facilitate the mobility of labour are dealt with particularly in Chapter V entitled, "Structural Employment Problems".

In the following pages it is proposed to review the *policies* or embryo policies designed to ensure the optimum mobility of workers in Western Europe. The cases of France, Italy, the Federal Republic of Germany and Sweden will be examined successively, after which a fifth and final chapter will be devoted to the problems posed by international relationships, especially within the Community of the Six.

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[1] See especially E.C.S.C., *Obstacles à la mobilité des travailleurs et problèmes sociaux de réadaptation*, Etudes et documents, 1956.

[2] See especially O.E.C.D., *Technical Information*, ref. T1(63)62, Paris, 27 November 1963, "Geographical and Occupational Mobility of Labour", conclusions of the Castelfusane seminar (November 1963).

[3] Geneva, 1961. Cf. in particular Chapter VIII ("Labour Mobility, Regional Planning and Training").

[4] Geneva, 1962.

[5] Geneva, 1964.

CHAPTER 1

FRANCE

In the development of policies designed to facilitate the mobility of workers three phases must be distinguished.

Until 1962, supported for most of the time by a galloping or rampant inflation and by excessive military expenditure (wars in Indo China and then in Algeria), the French economy experienced a quasi-permanent shortage of labour, despite a strong current of immigration and a rural exodus which helped (on the national scale). Though very advanced in many ways, French social measures had hardly explored the field of geographical and occupational mobility. In earlier chapters the important movements of population and the changes in the structure of employment recorded between 1954 and 1962 were seen: they were, in general, movements by individuals. It is true that legislation favourable to transfers of labour (from region to region or from sector to sector) was in existence, but it was not very vigorously applied, the more so as the workers, who were principally concerned, did not feel the need of it (Section 1). In 1962 the repatriation of a million Frenchmen from Algeria confronted the State with very serious problems of readjustment. Until the spring of 1962, those responsible stated that they expected only 100,000 economically-active persons per annum for four years; actually nine-tenths of the French came back for good in the space of a few months. But that was not all - the employment market was suddenly flooded by the demobilisation of several hundred thousand young Frenchmen, and in addition the disorganisation of the Algerian economy drove more than 150,000 Algerian Moslems to settle in France. Faced with these problems the government introduced an administrative structure and a redeployment policy which must be examined in detail (Section 2) because they constitute in our view both an experiment of exceptional interest and the beginnings of a general policy for the nation as a whole. This policy, put into practice by the creation of a National Employment Fund, will be the subject of the third and last section of the present chapter.

Section 1. Installation of the Legislative Machinery (1945-1961)

The responsibility for manpower policy rests upon the Ministry of Labour[1], associated in certain spheres with the Ministry of

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[1] The competent administrative body within the Ministry is the Directorate-General of Labour and Manpower (comprising the Department of Statistics, Documentation and Co-ordination; the Central Manpower Directorate, the General Labour Inspectorate and the Central Labour Directorate). For further details, cf. "Active Manpower Policy in France", by Laurent LUCAS, case study No. 3, Vienna Seminar (OECD), September 1963 (ronoced).

Public Health and Population (foreign workers), the Ministry of Finance (creation of new activities, resettlement grants, allowance, etc.) and with various technical Ministries (employment problems affecting, for example, civil servants, railwaymen and seafarers).

The various procedures for taking action are rapidly reviewed below.

(1) In regard to engagements the public authorities have a very extensive arsenal, at least in law (Order of 24 May 1945 and regulations for its application) - "departmental and regional services are alone empowered to place workers" in employment - "every head of an establishment must notify the service ... of all vacancies in his firm" - "All workers seeking employment must register with the service;" to which it must be added that a clearing-house system on the national scale was introduced in 1949. The vacancies and applications for work not met locally or at departmental level are passed on to an interdepartmental clearing centre functioning under the direction of a divisional labour inspector; as a last resort they are sent to the general labour directorate (in Paris) which publishes a national report on the clearing system. An authoritative commentator points out that "this procedure has however a very limited effect, as it does not allow for the placing of more than a few thousand workers per year".[1]

(2) As regards collective dismissals the State power of control is here again great in law but weak in practice. The public authorities have progressively loosened their grip and left great freedom to undertakings. In principle, however, authorisation for such dismissals is given only if it can be proved that they are justifiable (reduction in activity, new production methods - more capital-intensive, etc.). "In the event of widespread unemployment, the rule is ... to prescribe a general reduction in working hours before dismissing any workers in employment. In any case, there should be compulsory consultation with the factory committee but, states a trade unionist, it is merely kept informed. Finally, the dismissals should take place in the order prescribed in internal regulations, which generally take into consideration the number of dependents, length of service and skill of the worker."[2]

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[1] L. LUCAS, ibid., p. 15. Considerable use is made of this excellent study throughout the present section.

[2] L. LUCAS, op. cit., p. 13. It will be noted that the present recession (summer of 1964) in the French automobile industry is resulting, at least for the moment, in a general reduction of hours of work and not in discharges (engagements have been stopped since the autumn of 1963); under agreements between unions and firms a proportion of the hours lost is remunerated.

(footnote continued on p. 127)

Those questions, which are merely mentioned here, as they will be taken up in Study "G", are in fact by no means original in comparison with the labour laws of other European countries. More important, because they are specific to France, are the means employed to improve geographical and occupational mobility.

In 1954 the French government decided to create a fund for the *re-deployment of labour*, administered by the Ministry of Labour. Its object is "to facilitate the occupational readjustment and re-deployment of workers whose employment conditions have been changed either because a firm has discontinued or reduced its activities or has been converted, or because of concentration or special operations".[1]

(3) Decree No. 54-1212 of 6 December deals more particularly with transfer, removal and installation allowances. When the local possibilities for reabsorption are exhausted, the government provides financial incentives for the *geographical mobility of labour*. Whenever a worker finds a job elsewhere which is approved by the Manpower Service, the State allows him -

(a) the reimbursement of travelling expenses (including those for the spouse and persons dependent upon him);

(b) the reimbursement of the cost of transporting his furniture (this must be done in principle during the six months following his arrival) limited to a weight of three tons;

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[2] (footnote continued from p. 126)

The principal branches in which there have been collective dismissals are - the textile industry in the Vosges, the mining industry in the Midi, shipbuilding and ship-repairing at Nantes and St. Nazaire. On the whole, the number of workers discharged in this way in the last few years may be estimated at less than 20,000; it has proved possible to carry out reconversions, though often with difficulty.

[1] Cf. E.C.S.C., *Dispositions pour faciliter la création d'activités nouvelles*, High Authority, 1962. The passages concerning the French legislation were edited by M. Parodi, Inspector of Industry and Trade, Ministry of Industry, Paris.

The Decree of 6 December 1954 was supplemented by regulations for its application on 17 May 1955.

Altogether, according to L. LUCAS (op. cit.), the facilities accorded by the law have affected only a few hundred workers per annum, and in five years the grants and allowances have not exceeded 600 million old francs (1,200,000 dollars). In our opinion the very limited application of these measures is due not merely to the absence of important pockets of unemployment but equally to the small publicity given to them among working people. Many workers have moved their homes completely ignorant of the fact that they could draw two or three thousand *new* francs.

(c) a variable "settling-in allowance", which depends upon the composition of the family, the length of the journey and the conditions for adjustment in the locality to which the home is transferred.

These measures are applied automatically after a form prepared with the collaboration of the departmental Manpower Service has been filled in.

(4) The creation of centres of vocational training for adults (formation professionelle pour adultes - F.P.A.) dates from the Liberation, when the public authorities faced the problem of assisting in the retraining of the released prisoners of war and, in a more general way, of those whose work had been changed as a result of the changes brought about during the war.

The Decree of 9 November 1946 laid down the conditions under which these centres could be created (texts supplemented in 1949 and 1955). The vocational training for adults is carried out in three different ways -

(a) in the subsidised vocational training centres which are concerned, according to the Decree of 11 January 1949, with activities recognised as having priority (building and metallurgy); in exceptional circumstances centres concerned with other activities may be approved and subsidised;

(b) in the regional development plans the creation of centres is provided for in relation to the activities whose expansion on the regional level is envisaged;

(c) in connection with the carrying out of the measures for facilitating the re-deployment of labour (which have already been discussed).[1]

During the first ten post-war years, the priority accorded to the building sector followed an almost complete stoppage of activity in this sphere for several decades (as a result of the laws protecting the rights of tenants and the economic situation in the 1930s). There can be no denying that great work has been done in the F.P.A. Centres - from the beginning of 1946 till 31 December 1961, 317,288 trainees came out with diplomas and with a first-class qualification - 76.5 per cent. for building, 14.5 per cent. for the metal trades, 7.5 per cent. for other trades and 1.5 per cent. as technicians of a higher grade than that of occupationally skilled workers. As the stranglehold constituted by the lack of technicians and skilled workers was loosened in building, the F.P.A. Centres diversified their instruction.

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[1] E.C.S.C., Dispositions pour faciliter ..., op. cit., p. F31 (1).

After 18 years of experience everyone recognises in France that the F.P.A. has rendered immense service to the national economy and has at the same time been a far from negligible factor in social advancement - in six months (sometimes more) of training a labourer is able to acquire a qualification enabling him often to double his income. However, the following criticisms have also been made of this institution:-

First, the number of workers affected by the F.P.A. is too small because of the low capacity of the Centres (about 30,000 per annum); the public authorities think that they will very shortly be able to increase this capacity by half, especially as certain inadequacies at the regional and local level have been criticised for a long time past.

Next, it must be noted that the F.P.A. is in fact directed much more to young people (especially those who have just been released from their military obligations) than to adults. There are only 25 per cent. of trainees who are more than 25 years old, most of whom (nearly half) have not even done their military service.

Finally, it must be pointed out that this relative indifference on the part of adults is due to the inadequacy of the remuneration paid to the trainees. These receive only the equivalent of the minimum interoccupational guaranteed wage, which often represents only a half of their wage (including the various bonuses). Since 1962, it is true, additions to the remuneration (of the order of a half of the minimum wage) have sometimes been paid by the Associations belonging to the National Union for Employment in Industry and Commerce.

In spite of these criticisms it must be recognised that the institution, which is now fully run in, is capable of being greatly developed, as is desired by the public authorities, the trade unions and the employers' organisations.

It may be asked whether, here again, this development will not be hindered by the difficulty of recruiting teachers and instructors whose extreme importance is realised - some of them are paid less than their trainees will earn after obtaining their diplomas. The government seems to be aware of this, since it has continued to increase the credits for the F.P.A. centres substantially - 5 million francs in 1957, 25 million in 1962 and 30 million in 1963 (new francs).

Recently, a Law of 31 July 1959, introduced the principle of "measures for the encouragement of social advancement ("promotion sociale"). The aim is to regroup existing types of training (National Conservatory of Arts and Crafts, F.P.A., internal training in government departments, etc.) and to create new forms of training such as specialised institutes of the Faculties of Science.

Various Decrees for carrying out these measures have laid down the conditions of training and the payments at various levels - the first level (training of skilled and highly skilled workers), the second level (training for supervisory jobs, middle management and instructors' posts) and the third level or "higher promotion" (training of higher technicians or engineers and refresher courses). Finally, "promotion collective" deals with trade union education. In the main the teaching comprises evening classes, correspondence courses and full-time or part-time schools.

An official inquiry reports that the number of students who took social advancement courses between 1960 and 1963 had doubled (180,000 to 360,000). Half of these took evening classes and 10 per cent. attended full-time schools. The F.P.A. forms the main part of this latter category and covers the first and second levels. In 1963 the "higher promotion" (National Conservatory and Institutes of the Faculties of Science) covered about 50,000 persons who had received training. A large proportion of the total number of students were catered for by the internal programmes of government departments.

In the field of payments, the provisions mentioned for the F.P.A. (legal minimum wage) are applied to the first level. For the second level the full-time trainees may draw an allowance equal to the average basic wage of a skilled worker in his branch of activity (which excludes individual and collective bonuses and must represent from 50 to 60 per cent. of the actual earnings). For the "higher promotion" a Decree provides for a maximum payment of 9,000 francs for a year of full-time training.

According to the Report of the Advisory Committee for the Study of Aids to Social Advancement[1] the "higher promotion" is relatively privileged by reason of the interest shown in the training of higher technicians, whereas not much initiative has been shown at the first and second levels "though this form of promotion, which is accessible to the great mass of workers, should have been greatly developed". The report likewise notes an insufficiency of information, in addition to an insufficiency of aids, and it proposes that vocational training for adults should be generalised, as provided for by the I.L.O. Vocational Training Recommendation, 1962. Employment information centres ("échelons de l'emploi"), whose aim is to make known the means of training, promotion and refresher courses, and also the content of the trades, their openings and prospects, are at present functioning (1964) in seven towns.

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[1] La Documentation française, October 1963, p. 12.

Section 2. The Policy for the Re-Deployment of Repatriated Frenchmen

Since the census of 7 March 1962 the French active population has greatly increased - it is estimated that the total increase was 720,000 persons for all activities (+ 4 per cent.) between the beginning of 1962 and the end of 1963; non-agricultural jobs went up by 940,000 (since the transfers of agriculturalists, employers, workers and family workers, are thought to number 220,000), which gives an increase of 6.5 per cent. for this sector in two years. Table II-1-1 gives the details of these estimates.

Table II-1-1 The Origin of New Applicants for Non-Agricultural Jobs in 1962 and 1963

	1962	1963	Total 1962-1963
Natural growth (at a constant rate of activity)	+ 120,000	+ 150,000	+ 270,000
Reduction resulting from the lengthening of school life	- 110,000	- 90,000	- 200,000
Effect of the reduction of the period of military service	+ 80,000	+ 100,000	+ 180,000
Repatriates from Algeria	+ 270,000	+ 30,000	+ 300,000
Increase of the Algerian Moslem population (net)	+ 30,000	+ 20,000	+ 50,000[1]
Foreign immigration	+ 70,000	+ 50,000	+ 120,000
Agriculturalists	+ 120,000	+ 100,000	+ 220,000
Total:	+ 580,000	+ 360,000	+ 940,000

Source: According to M. Alphonse Thelier, "In spite of the influx of 900,000 new workers in two years, our employment market has not yet slackened as expected". Le Monde économique et financier, 12-13 October 1963.

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[1] It was in the autumn of 1963 (after the appearance of the article by M. Thelier) that more than 70,000 Algerian applicants for jobs arrived; this is a net balance of migrants.

At no time was the labour market as a whole flooded. The young people and the foreign immigrants quickly found jobs, and the only important problem concerned the 300,000 French active persons who came from North Africa. This *enforced mobility*, which was geographical and to a great extent occupational, stirred the public authorities to a great effort of re-deployment which was crowned with success. On the administrative side a Ministry of Repatriates was created in 1962; with a small staff it was able to carry out a thankless but effective task. This Ministry has just been abolished (July 1964) but certain of its Services have been maintained after having been attached to the Ministry of the Interior.

The provisions for immediate aid and reception on arrival in France, the financial assistance given during the first year of settlement, and the efforts made for reabsorbing the independent workers and wage earners will be examined successively, after which an evaluation will be made of the costs and results of the operation.[1]

(1) Article 1 of Law No. 61-1439 of 26 December 1961 states the principle of the granting of benefits to the repatriates. Paragraph 1 provides that -

"French persons who were obliged or who felt obliged, as a result of political events, to leave a territory in which they were settled and which was previously placed under the sovereignty, protection or trusteeship of France, may benefit from the assistance of the State, in virtue of the national solidarity affirmed by the Preamble to the Constitution of 1946, under the conditions prescribed by the present Law."

At first surprised by the extent of the migratory movement (the public authorities hoped that many of the French would return to Algeria), the government services rapidly made the urgent arrangements that were required - materially, by accommodating the repatriates in emergency quarters (schools, dispensaries, hospitals, barracks) and financially.

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[1] The whole body of legislative provisions and regulations is collected in a pamphlet entitled, *Accueil et réinstallation des Français d'Outre-Mer*, printed by the Journal Officiel, edition revised up to 17 October 1963, Paris, 1963. (Reference No. 1215.)

We are particularly glad to thank the high officials of the Regional Delegation of Marseilles who placed the available documentation at our disposal, particularly M. Marlet, Delegate of the Minister, and M. Bevilacqua, Labour Inspector.

At first payments on return were given in the form of a reimbursement of travelling expenses for persons and of the cost of transporting furniture, and afterwards provision was made for departure allowances equal to 500 francs (100 dollars) for the head of the family and 200 francs per person living under his roof (Order of 10 March 1962).

In addition subsistence allowances were paid during a period of one year (six months for older persons who a little later obtained the right to an old-age pension of 170 francs a month for one person and 250 francs for a couple). These subsistence allowances represented on the average the equivalent of the guaranteed minimum wage and were increased where appropriate by family allowances; the right to social security was recognised. Differential geographical supplements were added to these grants, according to the Departments in which the repatriates settled, in order to encourage them not to choose the overpopulated Paris region and the Mediterranean region, where the immediate possibilities of reabsorption were small.

Settlement grants were provided to wage-earning repatriates and older persons, the amount varying with family responsibilities, age and needs (as estimated after inquiry). The ceiling prescribed was about 8,500 francs per family (1,750 dollars).

Finally, the government granted long-term loans (for 18 years or more) through specialised institutions. Rates of interest were very low, usually 3 per cent. A loan could not exceed 60 per cent. of investments envisaged, nor 200,000 francs (40,000 dollars).

Though the principle of full compensation had rightly or wrongly been rejected by the government, it is nonetheless a fact that a considerable effort was made from the autumn of 1962. The subsistence allowances in particular enabled tens of thousands of heads of families to seek without too much worry a job suited to their desires and capacities. The adjustment did not take place without difficulty, having regard to the slight relationship between the occupational structure of the repatriates and the job vacancies.

(2) After analysing the replies to questionnaires filled in by heads of repatriated families the Ministry of Repatriates perceived that -

the number of independent workers was extremely high;

the active agricultural population had hardly any hope of being reabsorbed in the same sector in metropolitan France, at a time when the rural exodus was accelerating;

in a general way, the population was "overgraded" in North Africa because it included a semi-illiterate Moslem labour force and had thus benefited from this colonial-type situation;

the importance of the tertiary sector in the occupational structure at the time of leaving hardly corresponded to the needs - in April 1963 the applicants for jobs amongst the non-absorbed repatriate population were divided into 20 per cent. in the primary sector, 19 per cent. in the secondary sector and 61 per cent. in the tertiary; in the same period the jobs offered were 51 per cent. in the primary sector (agricultural wage earners and miners, jobs not applied for by the repatriates), 34 per cent. in the secondary and only 15 per cent. in the tertiary.

The effort made by the public services was concerned particularly with the absorption of the independents and with vocational training.

The re-deployment of the independent workers (employers and artisans) was specially provided for by the Order of 10 March 1962, when the unsurmountable difficulties encountered by those concerned were seen (they did not have sufficient capital to set themselves up on their own account) - "capital for reconversion into a paid activity ... is paid to non-wage-earning repatriates who definitely decline or are obliged to decline registration on the occupational lists and who prove that they have a paid job". This capital is fixed at 28,000, 25,000 or 18,000 francs respectively, "depending on whether the paid job is taken up within three months, six months or nine months following the date of repatriation", or (for those who returned before the date of the decree) according to whether the job was taken before 1 June, 1 October or 31 December 1963. This information is given to stress the fact that the government wished to accelerate the process of re-deployment. It is estimated that more than 20,000 small employers and artisans obtained the benefit of these measures.

As regards the wage earners, the difficulties of placing them in employment resulted in particular from a certain lack of skill, as the persons who claimed to be skilled did not meet the metropolitan requirements. At the beginning many young people and adults "disdained the courses in a good many cases", but more and more they came to realise the need to improve their skill - some 10 thousand agreed to follow various courses for obtaining skills both in building and the metal trades, and in "tertiary" work. The remainder, i.e. the very great majority, succeeded in finding employment in the year of their return. This result was achieved in part because there was a fairly large number of officials, agents of local collective institutions and workers employed in nationalised undertakings who were taken over by the corresponding bodies in France; the result was also secured in part because of the links between Algerian establishments and French firms, who took on repatriates who had worked in North African branches; the result was finally and above all obtained through the activity of a National Employment Exchange, which was created in Marseilles on 10 August 1962.

"With a view to securing the effective centralisation of the offers of employment intended for the repatriates, the Exchange receives from the departmental directorates of labour and manpower and from the specialised re-deployment sections of the regional agencies of the Secretariat of State for repatriates, particulars of offers of employment available and capable of meeting the requests of the repatriates... The Exchange will supply the repatriates who are seeking paid employment in industry, commerce, the liberal professions or agriculture with all information on the possibilities and conditions of employment, on the means of training, conversion and occupational regrading... According to needs the National Exchange will communicate offers of employment intended for the repatriates to the specialised re-deployment sections set up within the regional agencies for reception and counselling in Marseilles, Toulouse, Bordeaux and Lyons, and to certain designated departmental directorates of labour and manpower." (Extract from the Order of 10 August 1962.)

After a relatively slow start (centralisation and classification of applications and offers of employment, installation of an I.B.M. tabulator, etc.), the Exchange was able to fulfil its role as intended - in September 1963 there were only 33,000 repatriates who were not reabsorbed and it was moreover thought that only a half of those registered were really applicants for employment. This result was obtained as a result of the co-operation between the public services and the Associations for Employment in Industry and Commerce (organised in a National Union) - the employers were all the more interested in the operation as shortages were numerous at almost all levels of skill. In fact, the practical steps taken were as follows - undertakings received from their Associations a form on which very precise particulars had to be entered (nature of the business, number employed, address, telephone number, number of vacancies per category, exact level of skill required, sex, approximate age, hours and conditions of work, remuneration including bonuses, social benefits in money or in kind, and housing possibilities). By comparing these forms with those filled in by the repatriates it became possible to make serious offers to those concerned during interviews with the officials. These, who thus played the part of placement officers, made careful note of the additional information needed by the repatriate and then telephoned to the undertaking to obtain it. Free travel vouchers were then given (for a maximum of two attempts at placement).

After the undeniable success of this experiment in placement what was to become of the National Employment Exchange? On 19 September 1963 the Inspector-General of Administration on special mission, Prefect Haas-Picard, replied as follows -

"A modern institution, provided with much equipment, the Exchange has made a considerable improvement in the methods of prospection, information and placement, an improvement which has been carried over into the thinking of the officials of the manpower services employed at the National Exchange.

"This experiment, born of an exceptional situation and intended to deal with a definite problem, might be continued and extended, after the necessary adjustments, to the general problems of employment.

"It seems indeed that ... the counselling and placement of workers can no longer be treated on the scale of the commune or department, nor in a modern economy with the traditional methods used so far. The decentralisation of industry, the need to restore geographical or sectoral equilibria, the reconversion of insufficiently profitable undertakings, demand a mobility of labour which can only be facilitated by an institution with rapidity of thought and method and with a wide geographical area of information and placement.

"Equally, the solution of the special problems which the reception and introduction into the economy of a growing number of young people will raise in the coming years, can only benefit from such a reform.

"The National Employment Exchange seems to be quite naturally designed to be the instrument of this reform while of course continuing to carry on for so long as may be necessary its activity on behalf of the repatriates ...

"If such a change were decided upon, it could be accompanied by a transfer of the Exchange to Paris ..."

It could not be more clearly shown that the National Employment Fund created in 1964, is a direct offspring of the National Exchange in Marseilles.

(3) To conclude, a few words may be said about the cost of the operation for re-deploying the French from Algeria. In July 1964 the Ministry for Repatriates spent nearly 6 thousand million francs (1.2 thousand million dollars) of which 660 million were for the payment of departure allowances and 1.5 thousand million francs for various loans. To this must be added the continuing expenditure consisting of the payment by the State of old-age pensions, the amount of which will naturally fall with the gradual disappearance of those concerned, and the cost of early pensions granted to many repatriates (civilians or soldiers, officials or others) over 55 years of age (sometimes only over 50).

One point deserves particular attention - the operating expenses of the Ministry for Repatriates and its external services (regional agencies, "antennae" in North Africa) came to the quite modest sum of 94 million francs (19 million dollars). It is thus shown that a very big operation for re-deploying several hundred thousand persons cost a ridiculously small amount having regard to the benefits obtained - leaving aside all the non-economic aspects we estimate that if those services had not been created the re-deployment would have taken at least another year for 100,000 active persons whose added value (annually) in the production process amounts to some 1.5 thousand million present-day francs. The comparison of the administrative cost and the return for the national economy leaves no doubt as to the utility and efficacy of the operation.

Section 3. The National Employment Fund

The government Bill for the creation of a National Employment Fund was adopted unanimously both in the National Assembly and in the Senate. This Bill became Law No. 63-1240 of 18 December 1963 and it was followed by some very important decrees for its application, Nos. 64-164, 64-165 and 64-166 of 24 February 1964.

The underlying reasons for the creation of this new institution were given by the Minister of Labour, M. Grandval -

"A policy of social progress must seek to defend the workers against insecurity of employment.

"At the very time when the nation is giving greater and greater protection to the citizens in other spheres, it would be abnormal for the workers to enjoy less security and to be exposed for reasons beyond their control to the loss of the work on which their family's subsistence depends ...

"Up to now, the present legislation concerning the control of employment has provided the workers with guarantees of only a negative kind. The aim of the National Employment Fund is on the contrary to put forward positive provisions to ensure security of employment by uniting the imperatives of economic development and social justice.

"Administered by the services of the Ministry of Labour, which it must help to strengthen and renew, the Fund will bring together into a coherent whole various forms of aid designed to encourage, with some effort by those concerned, the adjustment and reabsorption of workers who become victims of or are threatened by collective discharge, or of young people freed from military service."[1]

Various reasons of immediate importance must be added -

(a) as has been pointed out above, the success of the National Exchange in Marseilles;

(b) the return to civil life of several hundred thousand young men discharged from their military obligations, and the drastic reduction both of the period of service and of the number of recruits called for by an army which is in the full process of modernisation;

(c) the expected increase in the active population which was a logical consequence of the spectacular demographic recovery of the years following the Liberation;

(d) the structural difficulties of various sectors of activity which led to collective discharges - it is to be feared that the transfers of labour may become even more considerable in the next few years (as a result of the progress of technology, international competition - both European and from the countries in course of industrial development - and the closing of several traditional markets of the old colonial empire).

The public authorities have not failed to emphasise the novel character of the new institution -

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[1] Le Monde, 25 October 1963.

"These texts", stated the Director-General of Labour and Employment recently, "constitute the beginning and the means of a new policy - an *active* employment policy ... Instead of simply applying the palliatives which retard the effects of economic and technical evolution, it (the Fund) will attack the causes, with remedies which proceed in the same direction as the evolution."[1]

It is still too soon to pass judgment on the action which the State proposes to carry out (the credits would appear to exceed 300 million francs in 1964, which is by no means negligible). We shall therefore confine ourselves to indicating the main provisions of the regulations which appeared in the *Journal Officiel* for 24-25 February 1964.

(1) In order to receive the benefits provided by the Fund it is necessary to fulfil one of the following conditions:-

(a) *either* be discharged from military obligations less than a year previously and, in the same period, be without employment or attend an F.P.A. course at a centre belonging to the Ministry of Labour;

(b) *or* (the more general case) be a wage earner in one of the following three categories -

- be without employment and registered as an applicant for work;
- choose a skill for which there are marked manpower needs known to the official services and attend an F.P.A. course;
- have a job but be threatened with a collective discharge which has been brought to the knowledge of the Ministry.[2]

(2) The essential function of the Fund is to give financial aid for facilitating occupational and/or geographical mobility - *this aid is much greater* than that provided for by the earlier legislation.[3]

(a) Geographical mobility is encouraged because higher grants are given -

"(1) a transfer grant, varying according to the extent of the removal and the family situation and a resettlement allowance awarded in the light of the composition of the family and the rehousing conditions. The amount of this grant and the allowance taken together may not be less than 400 times the guaranteed interoccupational minimum wage nor more than 1,200 times the said wage[1], this maximum being raised to 2,800 francs when it is below this figure;

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[1] Quoted in *Le Monde*, 28 February 1964.

[2] *Journal officiel*, 24-25 February 1964.

[3] On this point cf. the first section of the present chapter.

"(2) an allowance for travelling expenses for the individuals, their spouses and the persons dependent upon them;

"(3) a lump-sum allowance for the cost of transporting their furniture ..."

Altogether, it may be estimated that for many workers the benefits thus provided are double those which were previously granted.

(b) More considerable are the grants for occupational conversion.

"Their amount is determined for each worker in such a way as to ensure him ... a remuneration equal to 80 per cent. of the average hourly remuneration drawn by him during the last three months at work, excluding additions for overtime and bonuses and allowances which are not in the nature of supplements to the wage.

"This guarantee may be increased to 90 per cent. of the said remuneration in the case of courses providing training which deserve to be specially encouraged and which are listed by the Ministry of Labour."

Workers coming from agriculture are covered by a slightly different system - during their course at an F.P.A. centre they draw a total of 550 francs per month.[2]

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[1] The minimum hourly wage is of the order of two francs. It varies according to the wage zones laid down by law.

[2] This comprises an allowance equal to 44 hours per week at the minimum wage rate (370 francs) plus a grant from the Agricultural Social Action Fund (74.50 francs) plus a grant from the National Union for Employment in Industry and Commerce (105 francs during the first three months and 123 francs during the following three months).

For industrial workers who are being retrained the skilled or semi-skilled workers can now receive double the minimum wage (and sometimes more).

(3) The National Employment Fund is administered by the Ministry of Labour, assisted by the following persons as provided by article 11 of Decree No. 64-164 -

"Two representatives of the Minister of Labour;
Two representatives of the Minister of Finance and Economic Affairs;
One representative of the Minister of Industry;
One representative of the Minister of Agriculture;
The Commissioner-General of the equipment and productivity plan or his representative;
The Delegate for land utilisation and regional action or his representative;
The Delegate-General for social advancement or his representative;
Eight representatives of employers' organisations and eight representatives of trade unions appointed by order of the Minister of Labour on the proposal of the most representative national organisations of employers and workers ...
Two members of the executive of the national inter-occupational union for employment in industry and commerce, appointed by the Minister of Labour on the proposal of the said executive."

It is also provided that the Minister may summon in an advisory capacity any person deemed appropriate.

The first meeting of this High Committee for Employment was held at the end of April 1964.

* * *

In conclusion, it may be felt that France occupies an honourable place amongst the highly-developed nations in the progressive implementation of an active employment policy. It is likely that the return of several hundred thousand repatriates accelerated the awakening of conscience on the part of the public authorities. The only question in suspense concerns the effective means of action that will be at the disposal of the Minister of Labour and the Employment High Committee.

CHAPTER II

ITALY

In order to understand correctly the Italian legislation, it would seem useful to recall briefly the essential features of the country's economy since the war.

The hostilities badly damaged the economy - recovery was slow until towards 1950-52, years which may be considered as marking the completion of the reconstruction. At that time the public authorities perceived that problems of a structural kind were arising in an acute form.[1]

The dual nature of Italy shows itself at all economic and socio-cultural levels. It dates from the time of the political unification of the country and has become accentuated for reasons which have often been explained. The operations of war themselves affected the South and Sicily much more than the North.

Intense unemployment[2] and a particularly low rate of participation in the labour force among women[3] increased the burdens on those who worked.

Massive underemployment, among the swollen agricultural population[4] impaired the prospects of the Italian economy still further at the beginning of the 1950s.

Altogether, and in spite of the relatively high standard of living of the population of the industrial triangle (Milan-Turin-Genoa), the net national product at factor cost per inhabitant in 1952-54 (annual average) only amounted to 310 U.S. dollars, whereas during the same period it reached $510 in the Federal Republic of Germany, $740 in France, $950 in Sweden and $1870 in the United States.[5]

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[1] Problems evaded under Fascism as a result of the colonial expeditions and the organisation of a war economy.

[2] Probably more than 2.5 million unemployed in 1950 (the statistics are very imperfect); cf. on this point, O.E.C.D. Manpower and Social Affairs Committee, Examination of Italy, Preliminary Report by the Examiners, Paris, 5 February 1964, ref. MO(64)6, pp. 5, ff.

[3] In 1956, only one woman in five had a job. Cf. Pierfrancesco BANDETTINI, "Sugli indici di attività della donna italiana", Rivista italiana di economia demografia e statistica, 1958, Nos. 3-4.

(footnotes continued on p. 142)

Since that time, as is well known, the Italian economy has made remarkable leeps forward, growing at an average rate of about 6 per cent. per annum (7.1 per cent. in 1960 and 8 per cent. in 1961). Unemployment was to a great extent absorbed and price stability ensured, at least until 1960-61, a period which witnessed the appearance of serious bottlenecks in regard to skilled labour, accompanied as is natural by a marked growth in the bargaining power of the trade unions.

At the present time the net product per inhabitant exceeds $600 which, taking account of the growth in the resident population and of the rise in prices, represents an increase of approximately 60 to 70 per cent. in the standard of living in the space of ten years.

Doubtless a very great number of factors, which cannot be discussed here, have entered into play to facilitate this exceptional economic development. Note should however be made of Italy's bold decision to join first the European Coal and Steel Community (E.C.S.C.) and then the European Economic Community, with the result that its economy was obliged to face, and with success, competitors who had been much longer industrialised.

Another major factor, which must be brought out particularly, relates to the great geographical and occupational mobility and to the astonishing adaptability of the Italian people to contemporary technical civilisation. Starting after the war from the general level of an underdeveloped country, Italy has every chance of reaching the levels of its richest neighbours in the next 15 years.

The economic and social legislation of a country is bound to reflect a certain economic and social situation. Such legislation has as its object the solution of pressing problems and it can only dispose of means corresponding to the nation's possibilities. It will therefore be readily understood that the questions to be resolved by the Italian legislators since the end of the war had little in common with those that arise today for the states which are economically the most highly developed. Between 1948-50 and 1960 the essential problems have been -

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[4] (footnote continued from p. 141)

Forty per cent. of the active population were in agriculture in 1954.

[5] (footnote continued from p. 141)

According to the United Nations Statistical Bureau, Statistical Papers, Series E, No. 4, 1957.

- to remove the corporatist restraints placed upon the individual by the Fascist authorities;
- to facilitate as a matter of priority the introduction of the young generations to economic activity and only in a subsidiary degree (because it was not possible to do everything at once) to put the adult unemployed to work;
- to encourage the attainment of equilibrium in the labour market by using the traditional weapon of poor countries - massive emigration;
- to reduce as far as possible the serious disequilibrium between North and South by facilitating the acquisition of agricultural property by workers and small farmers (agrarian reform of the great landed estates), by developing the infra-structure and by encouraging the opening up of industries in the Mezzogiorno and the two large islands.

On the whole the objectives have been attained, but the interventions by the State, although very numerous and effective, have not been sufficient to prevent the human and social costs from being rather high - it was in millions that the agricultural workers spontaneously left their region and occupation.[1] This movement, which still continues, surprised not only the politicians, the administrative authorities and the employers but also the big labour organisations. Several years passed before any real awakening of conscience showed itself in legislation. It is only quite recently that a few responses to the problems raised by this phenomenon of exceptional mobility have been observed.

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[1] All witnesses agree in estimating that only a tiny fraction of the agricultural workers who migrated to the North remained in agriculture. In the mass they went into the building and public works sectors and the manufacturing industries. ".... the agricultural workers from South Italy who emigrate do not look for work in the agricultural sector of the regions in the North, where the conditions would be financially more favourable for them, but prefer any kind of job in the secondary and tertiary sectors and they nearly always settle in the urban centres or in the suburbs of the large towns", writes a well-informed specialist, Guido Baglioni (in "Les travailleurs italiens émigrant du Sud vers le Nord de l'Italie", case study No. 7, Castelfusano Seminar, O.E.C.D., p. 3 of the report in French).

For the moment therefore there is no institution in Italy, nor above all any financial advantages comparable to those that are found in France and especially in Sweden. It is to be hoped that under the pressure exerted by full employment and by the formation of numerous bottlenecks[1], Italy will come as quickly as possible to possess a social policy and legislation better adapted to its new situation as a highly industrialised country.

The modest statutory framework existing at the present time may now be examined.[2]

1. Measures for Promoting Geographical Mobility

Basic Law No. 264 of 29 April 1949 established a public monopoly in the placement of labour. Applicants for employment must register at the municipal employment units (sections of a commune) in the place where they reside.[3] Employers must likewise apply to the same offices. If it should happen that the unit lacks registrations in the skills concerned it passes the inquiry to other employment units in the same province or, failing that, in the same region. The law and the administrative practice even provide a national clearing system for the offers of jobs and the applications - every week a bulletin is published by the Ministry of Labour and Social Insurance, entitled Informazioni per il collocamento dei lavoratori, in which unfilled vacancies are recorded. This bulletin also includes offers from foreign employers, giving the conditions of labour, the wages offered, the bonuses and various benefits, etc. The wireless service is also used - it is instructed to broadcast every week the lists of vacant jobs, by region and qualification, throughout the Italian territory.

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[1] Italy has been suffering from marked inflation for three years, consumers' prices having increased by 6 per cent. in 1962, 8.5 per cent. in 1963 and 4 per cent. in the first nine months of 1964.

[2] Cf. in particular O.E.C.D., Manpower and Social Affairs Committee: Examination of Italy, Preliminary Report by the Examiners, op. cit., and Preliminary Report by the Italian Authorities, ref. MO(64)2, Paris, 10 February 1964. Also, case study No. 4 (Vienna Seminar, September 1963, O.E.C.D.), Pietro Merli-Brandini, "Active Manpower Policy in Italy".

[3] Subject to the exceptions provided by the law.

Persons may register in a municipality other than the place of residence provided it is the provincial capital, a town of more than 20,000 population, or is located in an important industrial area. In any event the municipality must be in the same province as the place of residence, in an adjacent province, or within a radius of 150 km. from the place of residence.

(footnote continued on p. 145)

In this way the means for revealing the state of the national (and even European) labour market and for increasing the geographical mobility of labour are assured.

It must however be stated at once that, as the author of the report by the Italian authorities (already quoted) explains, improved economic conditions and the accompanying reduction of unemployment, the appearance of substantial internal migration[1], and the direct recruiting increasingly practised by employers[2], have much reduced the importance of the functions of the employment service, which was originally created in order that priority might be established in the engagement of labour (in favour especially of those with families, those who had been unemployed longest, etc.).

The effective action of the Ministry is reduced to very little. In the agricultural sector, on behalf of workers engaged in seasonal migration, the Ministry's aid is limited for economic reasons to such categories as women working in the rice fields, in wine harvesting and olive picking, harvesting and threshing, and jasmine and spinach picking. Most often it consists of the provision of hostels and canteens, the supply of suitable working clothing and of certain medical supplies (vaccination against leptospirosis) etc.

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[3] (footnote continued from p. 144)

Transfers of registration are granted solely from one municipal unit to another. Dual registration is impossible, since the municipality of origin must transmit the file of the applicant to the office indicated by the latter, and then only after deletion of the applicant's name from its own lists. (Cf. report by the Italian Authorities, *op. cit.*, p. 11.)

[1] This refers to spontaneous migrations "not foreseen" by the authorities.

[2] In practice "nominal" offers of employment have been increasingly allowed, which reveals the improvement in the social situation; in other words, after a direct agreement between the employer and the worker, the latter goes to the employment office with a note from the employer and asks for his name to be deleted from the lists of unemployed applicants for work. As the years go by, the Law of 1949 is falling into disuse (this was several times pointed out to us by various directors of the Ministry of Labour and by managers of local offices).

Provision is also made, adds the Report by the Italian authorities, to cover the costs of screening emigrant workers in regard to health and job qualifications, and for social, medical and religious help, and the feeding of emigrant workers during the transfer and expatriation proceedings.

Mention should also be made of the reinbursement of the cost of travel for workers who emigrate or return to the country (at the end of their contract), for their families and their luggage.

It is hardly necessary to emphasise the marginal nature of the aid thus given - it benefits only a small proportion of the migrants (a few seasonal migrant workers within the country and only the "assisted" migrants who go to work abroad); its amount is extremely small. Accordingly we can only subscribe to the opinion of an Italian trade unionist who writes, ".... neither the resources nor the steps taken have been sufficient to ensure that the burden of hardship involved in individual changes on such a scale be shouldered by the collectivity in general".[1]

As regards the workers migrating from the South to the North, the administrative authorities now intend to ask for higher credits to facilitate their reception. The new steps taken include in particular the establishment in the railway stations at immigration points such as Milan and Turin of information centres to facilitate the search for jobs and accommodation.

2. Measures for Facilitating Occupational Mobility

"The demand for labour is not structurally in harmony with the supply", writes P. MERLI-BRANDINI. In particular, "agricultural labour and in general the underemployed do not possess the qualifications required for employment in the new jobs. The occupational retraining of adult labour (particularly if contending with a low or inexistent level of general education), is difficult and hardly ever produces appreciable results".[2]

This is the place to recall some statistical results obtained by SVIMEZ; they confirm Italy's retardment.

(1) Between the school years 1951-52 and 1959-60 (annual average), out of 1,000 persons joining the economically active population, 694 in the North and 830 in the South had not completed the compulsory period of schooling.

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[1] P. MERLI-BRANDINI, op. cit., p.72

[2] Ibid., p.74

(2) On 31 March 1960, more than one-third of the children in their thirteenth year were no longer going to school and one-half had stopped going in their fourteenth year; the percentage of attendance was less than one-third for children between 14 and 15.

(3) In 1951, the proportion of unskilled workers was 96.5 per cent. in agriculture, 42 per cent. in industry and 53 per cent. in the service sector. In agriculture, nearly 99 per cent. of the workers (wage earners, employers and family workers) had only an elementary education or were practically illiterate. In 1961 the situation had hardly improved.

An immense effort is being made by the Ministry of Education and is tending to reduce the relative retardment of the South as compared with the North. It is only concerned with the young. It is the Ministry of Labour and Social Insurance which deals, permanently and almost solely, with the vocational training of those who are already workers or unemployed and fit to work.

The "advancement" activities encounter the usual difficulties - "family cares, the necessity for rest and other circumstances allow these workers very little time for occupational study". During the courses (training, refresher or "promotion") the workers draw very small allowances -

- 200 lire a day[1] (plus the unemployment benefit of 300 lire for a maximum of six months)
- an additional allowance for persons dependent upon them (children, parents, spouse) of 120 lire per day and per relative, of the workers draw unemployment benefit, and 60 lire otherwise.

In brief, the help is too small to encourage adults with family responsibilities to attend courses of training or occupational conversion. It can thus be understood that the "Fund for the Vocational Training of Workers", which has 35 thousand million lire at its disposal (nearly $60 million), devotes the greater part of its activity to the vocational training of young people. As in France, vocational training "for adults" is concerned with those under 25, despite the often proclaimed intentions of the governments. It may be added that courses are given to candidates for emigration - they are designed for those under 35, are based on specific requests by employers abroad, are sometimes held with the co-operation of the European Social Fund, and they last for a maximum of six months. Here again, the small amount of the allowances paid to the trainees has not allowed this type of training to develop very far.

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[1] About 33 U.S. cents.

A long road remains to be travelled if Italy wishes to face the future demands for skilled labour. So far, it is true, a rough adjustment has been secured between the vacancies and applications for employment, especially as a result of the efforts of employers (education and training on the job, evening courses); but it will soon appear insufficient and the need will be felt for more suitable legislation, with much greater financial resources. This fact is fortunately recognised by the majority of economists and those with the highest responsibility for labour administration.

CHAPTER III

FEDERAL REPUBLIC OF GERMANY

German manpower policy falls into two main periods, whose features are determined by uncontrollable events and at the same time by economic development. In the first period, the influx of prisoners of war, refugees and displaced persons necessitated urgent measures for their economic and social reintegration, the difficulty of which was aggravated until 1954 by the persistent volume of unemployment. In the second, the problem of unemployment and of the refugees gradually disappeared and was replaced by that of a scarcity of labour. The stress was then placed upon guidance and training for young people and industrial decentralisation.

Here we shall only deal with the second period, when the concern expressed by all employers was not at the lack of mobility but at the excessive mobility shown by a high turnover of personnel. The scarcity of labour, which was likewise general, was combated -

(1) by accelerating the movement towards industrial decentralisation;

(2) by the efforts made to attract young people to works apprenticeships through the intermediary of the Federal Office for Placement and Unemployment Insurance;

(3) by measures for accelerating the reclassification of workers and promoting the training of adults.

Let us begin by considering the first point. During the first period the legislation for encouraging decentralisation was drawn up. But its effects were felt mostly during the second period and they went with the adaptation of the factories to the growing scarcity of labour in the towns. Their essential importance comes from the fact that decentralisation accelerates the occupational mobility of rural workers by making it in a way automatic.

1. Measures to Remedy the Shortage of Labour by Promoting Mobility of Capital

The occupational mobility of labour is easily and sometimes automatically achieved by the geographical mobility of industry.

Here we shall be concerned with its action during the period of labour shortage. But the legislation which encouraged it was adopted during the first period (unemployment, influx of refugees). As will be seen below, the decentralisation movement showed itself and accelerated particularly after 1955.

The inducements for such a mobility of capital, which was never authoritarian, were legislative and then economic. The origin of these measures was the 1950 Federal programme for creating employment and especially the "emergency programme" (Schwerpunktprogramm). Aid was given to undertakings which intensively employed labour in Bavaria, Hesse, Lower Saxony and Schleswig-Holstein, i.e., in the least favoured regions - 300 million marks (75 million dollars) were lent at long term, a little more than half of this amount to industry. The number of lasting jobs directly created was estimated at 70,000, of which 50,000 were in industry. It is calculated that this programme, apart from its more general beneficial effects in promoting production and growth in the economy as a whole, made it possible to save 100 million DM in unemployment benefits and to gain 10 million DM in income tax on wages.[1]

The emergency programme was followed by a programme of immediate action in 1951 (Sofortprogramm) which resulted in the exceptional and temporary creation of employment in the form of various public works (roads, etc.). Again the main part of the aid was concentrated on the less favoured regions. Later a "remedial programme" was provided for under the authority of an important "Inter-Ministerial Committee for Questions concerning the Distressed Regions"[2], which issued the directives and examined the plans for the development of the "Länder", with the essential aim of creating employment. Twenty-five million DM in 1951, followed by 50 millions a year, were allocated for this work down to 1955.

Finally, in July 1953, a development programme for the frontier regions in the East (Zonenrandgebiet) was introduced, and 120 million DM were spent on this in 1954. The general features of this policy of regional action were the concentration of the means on a small number of zones and the essential aim of creating employment.

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[1] Regionale Wirtschaftsförderung und Arbeitsmarkt, die Hilfsmassnahmen der Bundesregierung; von Karl Joseph Meyer, in Bundesarbeitsblatt, 1955, p. 967.

[2] Interminesterieller Auschuss für Notstandsgebietsfragen.

Gradually new factories were opened to an increasing extent outside the regions of high industrial concentration, or far from them, at least in the South.[1] There, indeed, the importance of the branches of industry which were labour-intensive (textiles, electro-technical) and which needed female labour, provided an opportunity and a strong inducement for opening up in rural areas, which was itself encouraged by the government aid. Everywhere the difficulty of expanding in the urban agglomerations, as well as the growing tension on the labour market, encouraged a certain amount of decentralisation, sometimes in the form of the creation of factories connected with the principal firm.

The inter-regional spread of new factories and of new jobs created from 1950 to 1960 shows the success of this policy, which was due to both public and private initiative, carried out simultaneously for social motives by the authorities and for economic reasons by the employers.

Proportion of Jobs created from 1950 to 1961
in the Total Employment of Each Region in 1961

Regions	Percentages
Schleswig-Holstein	12.8
Bavaria	11.6
Lower Saxony	8.0
Hesse	7.2
Bremen	7.4
Rhineland-Palatinate	5.8
Baden-Wurtemberg	1.5
Rhineland-Ruhr	0.4

Source: Statistisches Jahresbuch 1963, p. 231, Table 8.

The practice of commutation greatly favoured the employment of workers in the rural or distressed zones. The proportion of jobs created was therefore highest in the distressed zones. Even the favoured zones benefited from the creation of employment but generally on their borders.

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[1] Die Standortwahl der Industriebetriebe in der Bundesrepublik Deutschland in Zeitraum von 1955 bis 1960. Bundesministerium für Arbeit und Sozialordnung 1961.

2. Measures for Vocational Guidance

The industrial diversification, linked to the size, of the great zones of industrial concentration is a factor favourable to the occupational mobility of both adults and young people. As has been pointed out, for example, "the close interpenetration of the mining and other industries of the Ruhr Basin favours the movement of skilled personnel to them".[1] Here again the success of German manpower policy seems more than proportional to its efforts and its cost. It is not certain that the German institutions and policies in this sphere are very original, but their success seems to be clear enough.

The measures for placement and vocational guidance are aimed, not in principle but in fact, almost entirely at the young people. An institution and a method must be mentioned here, although in 1963 they were no longer very well adapted to the situation of economic boom. The institution is the Federal Office for Placement and Unemployment Insurance, whose function of employment placing and counselling is the only one that will concern us here.[2] The Office is an organ with an autonomous tripartite management (trade unions, employers' organisations, government department) over which the Ministry of Labour has a certain power of trusteeship.

In addition to its central administration the Office comprises regional and local sections. In 1954 a central placement office was opened in Frankfurt, with the duty of distributing labour for the whole of the Federal Republic. This may be regarded as something close to the "National Employment Exchange" organised in France in 1963 after the arrival of the refugees from North Africa. Special placement offices deal with certain particular occupations.

The Labour Office has been charged with the administration of most of the measures so far mentioned. Reference may be made here to the work of the Office in regard to housing - problems of the siting of new housing accommodation, especially with a view to reducing the long journeys which many workers are obliged to make; creation of collective accommodation for young people and foreign workers. At the end of 1961, 50,000 collective dwellings, 5,500 of them for women, were constructed. In 1960-1961 the Office invested 150 million DM for assistance in the housing of foreign workers. It is estimated that this loan will enable 1,200 undertakings to provide 66,500 beds.

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[1] "L'orientation professionnelle de la jeunesse en Allemagne fédérale" by J. Bocquillon and P. Fournier, Revue française du travail, 1958, p. 89.

[2] Bundesanstalt für Arbeitsvermittlung und Arbeitsversicherung whose headquarters are at Nuremberg.

The basic task of the Office is to advise in the choice to be made by all school children or students on leaving school. This task is linked to the function of balancing the labour market. The method on which the Labour Office has insisted is an inter-regional clearing among the labour markets, not only during the period of unemployment but also since full unemployment has been achieved.

Out of the total number of placements carried out since 1956, 6.8 per cent. or 1,634,000 were made "by clearing", i.e. in regions or localities different from that of the applicant. Of this number, half were carried out in nearby labour markets, 20 per cent. in the area of the Land Office, and 30 per cent. outside these areas, i.e. on the federal scale. In 1955, 10 per cent. of all placements were made "by clearing".

As is known, the German policy of vocational training is based on apprenticeship in the undertakings, associated with compulsory theoretical courses attended in specialised centres. This particularity has no doubt favoured close collaboration in the placement and search for apprentices, especially in recent years, although in most occupations the supply of places for apprentices in the undertakings clearly exceeds the demand. Certain definite qualifications for the places offered were drawn up. In large firms the number and classification of the places were decided and also the methods and dates of selection. Similarly, more attention was paid to the classification of the applicants for jobs, so as to offer to the least gifted and to young people who were not yet sufficiently mature, the jobs for which they were suited. It is impossible to prevent certain firms from seeking to obtain young labour by the traditional methods and others, especially when they have jobs in less attractive trades, from attempting to take on young workers at any price, without bothering about the particular measures which have been introduced. Nevertheless, it has been possible to procure adequate occupational training for an increasing proportion of the young people.

	1952	1961
	Percentage of requests for guidance which led to placing in employment	
MEN	51.2	60.9
WOMEN	26.5	42.3

It is true that providing young workers for the economy has become more and more difficult. The reserves of young people are drying up. The number of family helpers and school leavers who take labouring jobs, as well as the applicants for jobs as apprentices in the areas in which there was formerly a surplus, is decreasing. Efforts will therefore be directed in the coming years towards still more careful counselling, placing and training.

3. Measures for Promoting Regrading or Promotion

Now come the steps taken by the authorities to improve the training and occupational mobility of workers already engaged in production or who have passed school age. However, it must be explained that full employment has induced employers to an increasing extent to organise refresher courses in their factories and that in the Federal Republic, because the employers are strongly organised, the joint works schools play a more important part than in other countries.

The nature and amount of financial aid, the rehabilitation of handicapped workers and occupational promotion will be examined one after the other.

(1) Aids to Regrading or Promotion

The Placement Office assumes responsibility for applications for jobs (photos, translations of diplomas, etc.) and for medical charges incurred in the search for employment, to an amount of 100 DM and in exceptional cases up to 200 DM.

Travelling expenses to see an employer are reimbursed at the applicant's request.

Removal expenses and the cost of travel for the family may be refunded if the employer does not meet them.

Loans may be made towards the cost of purchasing tools, clothing, etc. required for a new job.

An advance or a grant in anticipation of the first wages may be given, up to 400 DM per month, to which an advance of 200 DM for installation purchases may be added.

An amount not exceeding 50 DM is always a non-repayable grant.

Separation expenses, if the worker must live away from his family residence, consist of a weekly payment, renewable quarterly, up to a maximum of two years. The allowance is fixed according to a scale which depends on the distance and the wage. To give one example, for a wage of 113 DM, the allowance amounts to a maximum of 49 DM.

On the application of the undertaking, a training allowance may be paid to an employer who engages an insufficiently trained worker - 70 per cent. in the first weeks, followed by 50 per cent. of the wage paid.

The total of these financial aids has greatly diminished since the achievement of full employment and even since 1960.

Allowances (in million DM)

	Travel and Removals	Equipment	Waiting for Wages and Miscellaneous	Separation	Total
1955	1,734	736	2,934	2,353	7,757
1960	545	369	2,263	203	3,380
1962	338	135	1,385	72	1,930

(2) The Rehabilitation of Disabled Workers

Efforts to promote the rehabilitation of disabled workers have recently been increased. From 40,000 in 1960, the number of cases of rehabilitation reached 48,750 in 1962.

Aid towards rehabilitation comprises financial aid for school or occupational training, or aid for a refresher course or for training for a new kind of work (Umschulung). The aid includes a maintenance allowance. If the disabled person is no longer of school age this allowance is at least 50 per cent. higher than the normal rate. A third of the aid has been granted to workers under 45. The "under 25" group is fairly big because of the high accident rate among young workers and their desire to improve their work opportunities.

In addition to the individual aid granted to the disabled, subsidies are given to private institutions which undertake vocational training for these categories (Caritas, Innere Mission, etc.). From 1958 to 1962, 7 million Marks were so granted to 77 institutions.

(3) Occupational Promotion

The number of workers who attended vocational training courses in 1962 was 7,200 for collective courses and 650 for individual training, or a little more than 8,000 in all. In both cases, nearly a half relate to salaried employees' occupations and on the whole there are rather more men than women. In 1961, nearly 14,000 persons, including 7,000 women, were affected by these measures.

A Decree of 4 July 1962 authorised the making of grants and loans to employed workers with a view to their attending occupational refresher courses (Individuelles Förderungsprogramm). In this way an attempt is made to encourage individual initiative. Grants may be made for attendance at refresher courses, either full-time or part-time, or by correspondence, if the latter are connected with full-time training of limited duration. The candidates must already have had vocational training and have worked for at least two years in a trade in which they were covered by social insurance, or, if they have not received vocational training, have had a job and been covered by social insurance for at least seven years.

At 31 December 1962, 15,000 applications for grants had been submitted and 3,130 awarded. The credits provided reached 4,880,000 DM, and the credits actually expended 1,666,000 DM.

CONCLUSION

It may be concluded that the main distinguishing feature of the West German system is the multiplicity of the forms of aid available for the various individual cases, their provision being centralised in the Placement Offices. The amount of these aids is generally low, except as regards the aid granted to employers to compensate for the payment of wages to insufficiently trained workers receiving training, and the separation allowance. Finally, full employment has allowed the whole of the actual expenditure to be reduced. The housing policy has made it possible to do away with the separation allowance almost completely.

CHAPTER IV

SWEDEN

For the labour economis Sweden is a country of contrasts. The Social-Democrats have been in power since 1932 (alone or in coalition governments), but private property remains largely predominant since more than 90 per cent. of industry, 98 per cent. of wholesale trade and 85 per cent. of banking and insurance are in the hands of private enterprise; social legislation provides for no regulation of wages, overtime or a living minimum, yet the workers and salaried employees enjoy a standard of living and a security rarely attained in the world; the public authorities play a fundamental part in the relations between social and occupational groups but it is much more in order to encourage the parties to agree than to interfere and legislate; the total population does not exceed 7.6 million and the density is only 17 per square kilometre (43 per square mile) and yet trade unionists and many employers regard with admiration the balance achieved in Sweden between the necessary respect for individual liberty and the defence of social rights; more than two-thirds of workers (wage earners in industry and salaried employees in service activities) are in trade unions, one-and-a-half million in the L.O. and half a million in the T.C.O., and the trade union confederations are particularly powerful, but days lost through strikes represent 0.03 per cent. of total working time (against 0.27 per cent. in the United States and 0.15 per cent. in Canada), a percentage rarely attained in so highly developed a market economy.[1]

If those things are so, it is because, as the Swedish authorities write[2], "All parties concerned endorse the idea of full employment as a primary aim of economic policy and as a means of raising the standard of living. Unemployment is not accepted as a means of economic policy (...). Management and labour are largely agreed on incentive wage systems. Automation and other technological developments are welcomed by all parties".[3]

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[1] I.L.O.: The Trade Union Situation in Sweden, Geneva, 1961.

[2] Labour Market Policy in Sweden, O.E.C.D., reviews of manpower and social policies, Paris, 1963.

[3] Ibid., p. 9.

An agreement in principle also exists in regard to the fight against inflation - the trade unions are in particular quite aware of the extreme importance of exports for the economic and social equilibrium of the country (25 per cent. of the total national product is sold abroad).

"The high level of employment has implied inflationary pressures but (...) those pressures have been gradually reduced without reducing employment. The long-term trend of the post-war years has been towards a reduction both of unemployment and of labour shortages; adjustment between supply and demand has improved steadily. This has been due partly to a spontaneous development and partly to the growing efficiency of a deliberate labour market policy designed to improve occupational and geographical mobility, to utilise labour resources in surplus areas and to level out seasonal swings in the demand for labour."[1]

The following pages contain a summary of the general organisation of the labour market and of the measures taken in regard to geographical and occupational mobility.

1. Organisation of Labour Administration[2]

For many years Sweden has been pursuing an active manpower policy in the sense recently given to this expression by the Directorate of Manpower and Social Affairs of the O.E.C.D. The labour market is under the constant control of the Ministry of Social Affairs and, more directly, of the National Labour Market Board (Arbetsmarknadsstyrelsen, A.M.S.). This is presided over by a Director-General, assisted by two deputies (all directly appointed by the Government) and eight members appointed on the proposal of the representative organisations - two by the Employers' Confederation (S.A.F.), two by the Trade Union Confederation (L.O.), one by that of the salaried employees (T.C.O.), one by the Confederation of Professional Associations (S.A.C.O.); together with one for agriculture and a representative of women workers.

The National Board, itself composed of eight bureaux (employment service, vocational guidance, occupational retraining, unemployment insurance, research, technical, finance and administrative), has 25 County Labour Boards under its authority; at the base there are the local offices (more than 200) and local agents (280 plus 200 part-time or temporary).

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[1] *Ibid.*, p. 11.

[2] See B. Olsson: "Employment Policy in Sweden", *International Labour Review*, May 1963.

By maintaining continuous contact with private and public employers the Labour Market Board is in a position to know exactly the state of the labour market at every level, both by branch of activity and by region and locality. Employers regularly provide information concerning the discharges which they expect to carry out or, conversely, the manpower needs required by the extension of their activities. As in many other countries, the local offices first try to balance the offers and applications; if this does not succeed, an attempt at clearing is made, first at the county level, then at that of the region, and lastly at the national level. Bulletins (roneoed) containing offers of employment within each county are published periodically - every week the bulletins are sent to all the local offices in the same county and to certain offices in the neighbouring counties. The jobs which cannot be filled are immediately reported to the employment division of the Board. Daily reports are sent to all the local offices and the publicity given to the vacancies is amplified by advertisements in the newspapers (at a cost of a million crowns per annum) by wireless and television announcements and by a whole system of folders, posters and films.

This shows to what a degree the techniques for revealing the state of the labour market have been developed. But this is not all. The Labour Market Board considers that one of its fundamental tasks is to make a close study of the market over the medium and long terms. Every month the situation is surveyed by the Statistical Division. Twice a year a detailed examination is published showing the situation and the probable development in the next six months in each county; this examination is based on the analysis of questionnaires, and on the results of direct inquiries and of provisional statistical calculations. Finally, a special forecasting service (composed of workers' and employers' representatives, senior officials and university professors) is entrusted with long-term studies, especially in the sectors which demand a long period of vocational training for workers.

Altogether, about 4,000 persons (a thousand of whom are part-time) are concerned with the administration of the labour market. Few countries seem to possess such an armoury, having regard to the size of the population.[1]

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[1] In addition to the studies quoted above by the O.E.C.D. and the I.L.O. cf.: Arbetsmarknadsstyrelsens berättelse, 1961 and 1962 (with summaries in English); Kungl A.M.S. Employment Policy in Sweden, (Information Service, February 1961, roneoed). These studies have been sent to us by Mr. Lindström (of the Swedish Employers' Confederation), to whom we are very grateful.

As to the efficacy of the Labour Market Board, this may be measured by a few figures - in 1962, for example, the Board registered 744,000 applications for jobs and 1,103,000 vacancies; exchanges between towns, counties and regions enabled 66,000 persons to be placed in employment.

2. Measures for Facilitating the Mobility of Labour

The opening of new factories in the poorest regions of Sweden, i.e. in the North, is made difficult by reason of the climate and the high cost of living. A widespread opinion in the country is that it is much easier to solve the problem of employment in the depressed regions by promoting the movement of labour than by encouraging business men through various financial benefits to invest there (the problem here is quite different from that, for example, in Italy). The populations settled in the North are small in number (density, 13 per square mile as against 88 in the South) and the difficulties of communication during the long winter do not make it likely that a "balanced" economic development in the whole of the territory can be expected. Indeed, the financial efforts made to "bring work to the workers", although several times higher than those devoted to increasing the mobility of the applicants for jobs, have not produced very great results. Accordingly, it is in this direction that the policy of the public authorities is now moving.

(A.) Geographical mobility is facilitated by the following measures:

- in 1957, the first important measures were applied by the Labour Market Board; they provide for the payment of removal grants (journey, removal of furniture) and special temporary grants when members of the same family are separated;
- in 1959, the National Labour Market Board was authorised to make a leaving allowance of 300 crowns to workers accepting a job in another district;
- and in 1962, a special grant (of a maximum of 2,000 crowns) was made to workers who agreed to leave a district suffering from a particularly high rate of unemployment.[1]

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[1] On all these points, cf., in addition to the above-quoted report of the O.E.C.D., an article by Joe Morris, "O.E.C.D. Mission to Sweden", Canadian Labour, vol. VIII, No. 3, March 1963, pp.9-13.

It will be noted that the total of these financial benefits seems to be lower than what has been provided for in France since 1964.

(B.) An even greater effort is devoted to improving the occupational mobility of adults (nothing will be said about the counselling and training of young persons). Vocational training has been considerably extended - in 1957, 634 unemployed were taking courses involving 14 different types of instruction; at the present time 30,000 workers are taking courses dealing with 48 crafts and skills. These courses naturally vary considerably in duration (between one, and 22 months) and grants are made to the trainees - this assistance, which varies according to grade and family responsibilities as well as in relation to the cost of accommodation, generally amounts to 40 to 80 per cent. of the wage of an unskilled worker in industry. It is not as high as in France (80 to 90 per cent. of the wage formerly drawn, since the decrees of February 1964) but it affects many more workers, as every year 1 per cent. of the total manpower in Sweden is able to take up another occupation. Bearing in mind that the active life of a worker in industry lasts for more than 40 years, this means that nearly half the Swedish workers will at this rate be subjected to "re-routing" at least once. This same type of calculation would show that nearly one worker in five benefits during his active life from settlement grants in another place, since the "geographical" grants cover more than 15,000 persons per annum. Need it be added that no other country seems to concern itself so much with the problem raised by geographical and occupational mobility?

It might be thought that in view of this particularly favourable picture the Swedes are completely satisfied. Not at all. The complaint is made that the system of training for adults is concerned only with the unemployed and therefore that it does not touch the workers who in fact have a job but are threatened sooner or later with discharge. Another complaint is that it does not help workers who wish to rise in the scale of skills.

"... it appears reasonable that the community should learn to regard training as something that is not only for young people. On the contrary, it may be rational that many young people who at present are content with low-grade jobs would wait for more systematic training until later, when they know better about their own long-term aims and the value of occupational skills... But above all, adult training must be an institution which effectively contributes to making the freedom in the choice of work a permanent reality for all people at all ages."[1]

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[1] G. Rehn, Paper for the Meeting of Senior Economic Advisers, E.C.E., March 20-24, 1961, The Case for Expansion of Labour Market Policy as an Instrument of Economic Progress. Quotation from p. 14 of the roneoed text.

The "summary and conclusions" of the O.E.C.D. report do not differ from this -

> "Although the programme for retraining of adults has widened its scope, it is still limited to special groups with more or less individual employment difficulties. It is not yet fully developed into an instrument for supplying expanding industries with suitable labour and giving workers in general a better chance of improving their occupational status."[1]

These opinions, among many others of a similar kind, give an idea of what a policy would be like which was fully adapted to a rapidly changing world, demanding swift and continual adjustments in the manpower structure by trade, skill and place of residence.

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[1] Op. cit., p. 68.

CHAPTER 5

WESTERN EUROPE

(International Policies)

The image of the slaves transported like cattle from Africa to the Americas, of the starving proletarian flying from his native Europe in order to seek his fortune thousands of miles away, is gradually fading to give place to situations less unworthy of humanity. National policies already aim at making the necessary movements of labour and the indispensable retraining of thousands of adult workers less disagreeable. At the international level also, a number of means are being set in motion to ensure that a transplanted worker is no longer considered as a pariah or as a social and occupational misfit. Certainly it cannot be affirmed that the results in this sphere are already acceptable, but conscious and partly effective policies exist and they must be discussed. Particular stress will be laid on the measures for improving geographical and occupational mobility in the industries of the E.C.S.C. (Section 1) then in the whole body of economic activities of the E.E.C. countries (Section 2); finally, consideration will be given to the efforts made, especially under the auspices of the I.L.O., with a view to ensuring that foreign workers receive rights equivalent to those of the national workers (Section 3).

Several special agreements moreover link certain pioneer countries which have decided to open their frontiers without reservation - mention may be made in the first place of the United Kingdom, which receives workers from the Irish Republic without formality, and of France, which during the two years following the independence of Algeria received several tens of thousands of Algerian workers without raising any obstacles to the movement.[1]

Two other types of agreement must also at least be mentionned:

- first, as regards Benelux, the Protocol relating to the coordination of economic and social policy, adopted at The Hague on 24 July 1953, declares that a special aim of the Economic Union is to ensure the free movement of persons among the three countries;
- further, the Scandinavian group of countries opened, in July 1954, a common labour market which provides for complete freedom of movement and the abolition of labour and residential permits within the area formed by Sweden, Norway, Denmark and Finland. Moreover, in order to facilitate the free movement of labour, Denmark, Finland, Iceland, Norway andSweden concluded on 15 September 1955 a social security convention applying to all the benefits provided by the legislation of those countries for their nationals.

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[1] By common accord, the French and Algerian Governments have decided to regulate these migrations (since 1 April 1964).

It has rightly been pointed out[1] that the carrying out of these agreements has not raised important problems by reason of the homogeneity of the economic and social (and partially linguistic) structures, the common links formed over the centuries, the ethnic, political and psychological affinities, and the existence of similar standards of living and ways of life. The treaties setting up the E.C.S.C. and the E.E.C. were in part inspired by such agreements.

Section 1. The Policy of the European Coal and Steel Community[2]

The second General Report of the High Authority stresses the policy aspect of the free movement of workers. In the spirit of article 69 of the treaty[3] the workers in the coal and steel industries must be able to move without restriction or discrimination from regions of low activity to regions of high activity. It must no longer be possible to see within a few miles of each other zones of overemployment and depressed areas with underemployment of labour. Moreover, the free movement of workers constitutes one of the factors in equalising the conditions of life and work.

With this in view, the High Authority felt in 1954 that the governments concerned should work out a policy for facilitating the movement of workers in the coal and steel industries, laying down in particular the specialities and skills of the workers defined by article 69 (it is necessary to have the "recognised qualifications" in these sectors of activity). In the practical field it remained to define the sphere of application of the text - all this was the purpose of various agreements of 27 October and 8 December 1954, of an "administrative" agreement of July 1955 (which came into force on 1 September 1957) and of a decision of 16 May 1961 (which was put into practice on 5 July 1963).

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[1] Gianni Perazzo, "Emigrazione e libera circolazione dei lavoratori", Homo faber, January 1960, pp. 6219-6222.

[2] Cf. the annual General Reports (since 1953) of the High Authority of the E.C.S.C. and Castelfusano Seminar (O.E.C.D.), November 1963, and supplementary document, "The work of the High Authority of the E.C.S.C. in the sphere of geographical and occupational mobility of the workers" (roneoed in French and English).

[3] Article 69, para. 1, provides that -

"The member States bind themselves to renounce any restriction based on nationality against the employment in the coal and steel industries of workers of proven qualifications for such industries who possess the nationality of one of the member States; this commitment shall be subject to the limitations imposed by the fundamental ends of health and public order."

(1) Recognised Occupational Qualifications

"Occupations of the coal industries" must be understood to be "trades in the coal, iron ore and manganese mines". The Third General Report states that the recognised qualification is acknowledged by inclusion of the trades in the lists attached to the agreement of 8 December 1954 - 29 trades for the coal industry and 27 for the steel industry were mentioned, these 56 trades affecting about 350,000 workers for the six countries as a whole in 1955. The decision of 16 May 1961 added 118 trades to the previous list.

The importance of being a worker belonging to one of these trades is as follows:- every worker who has received a systematic training for one of the trades for at least a year (or during the past three years) may apply for the E.C.S.C. labour card. Similarly, the right to this card is given to every worker who has received a wage exceeding that of a general labourer and who, after having received a practical training, has worked for at least two years in the coal or steel industries, including one year in one of the trades appearing on the list.

(2) The Labour Cards

Workers holding these cards are no longer subject to the legislative (restrictive) provisions concerning the admission of foreigners - the holder of the card may move freely to accept an offer of work in his trade.

(3) The Results

As sometimes happens, a very detailed set of regulations dictated by the best intentions has achieved only insignificant results. This is due simply to the market situation, which has been definitely unfavourable for coal and relatively not very bright in the steel industry. The competition of other sources of energy and world rivalry have brought about a progressive decline in the numbers employed. Altogether, the number of cards issued (up to 30 September 1963) has not exceeded 1,767, of which 1,648 were for the coal mining trades and 119 for those of the steel industry.[1]

"Generally speaking", writes the High Authority (March 1964) "freedom to move from place to place is not a right which workers are particularly keen to claim. Practically the only response is from those who leave home in search either of higher wages or of actual employment which they have failed to secure on the spot. Skilled workers and craftsmen in the mining and iron and steel industries, who have little difficulty in finding jobs in their own areas and feel they earn pretty well as much there as they would do elsewhere, have not the slightest desire to make the effort of uprooting themselves."[2]

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[1] C.E.C.A., 12th General Report, p. 370.

(footnote continued on p. 166)

On 30 September 1963 the holders of a card represented only 4.1 per cent. of the workers employed in the Community who were working in the mines of a country other than their own belonging to the Community; this was 1.6 per cent. of the non-national workers and 0.2 per cent. of the total number of employees in the collieries. As will be seen, the results are remarkably modest.[1]

In addition to article 69, mention must also be made of article 56 of the Treaty of Paris - this latter text states that the High Authority may make a non-repayable grant to coal and steel workers under certain conditions, provided that the national government concerned makes at least an equal contribution.

Down to the end of 1963, 200 undertakings asked for and obtained these grants, which have affected about 120,000 workers. The payments are of various types, according to the circumstances -

- they may be made to workers waiting to be placed in other jobs (in the same locality but in another undertaking);
- they may enable the workers to wait while the undertaking to which they belong is being reconverted to another kind of activity;
- they are also sometimes granted to facilitate the resettlement of the workers in another locality;
- finally, they may serve for the retraining of workers who are obliged to change their type of work and their undertaking at the same time.

Altogether, these payments are relatively large but they depend to a great extent upon each government, because the E.C.S.C. agrees only to provide a grant which at the maximum is equal to that made by the national public authorities. The practice so far laid down is as follows -

(a) if a worker changes his job, having been obliged to do so by circumstances, he is assured of receiving (sometimes for two years) a total remuneration (new wage plus grants from his government and the High Authority) equal to 80 per cent. and in some cases 100 per cent. of his former remuneration;

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[2] (footnote continued from p. 165)
Ibid., p. 367.

[1] *Ibid.*, loc. cit.

(b) if the worker is attending a vocational re-educational course the benefits are of the same order, the High Authority bearing one-half of the costs arising out of the running of the courses - this type of assistance only began to develop as from 1960 and so far has affected only 2,500 workers;

(c) when the change of job is accompanied by a change of residence, the worker has a right in all the member countries to the reimbursement of travelling expenses for himself and his family and of the cost of moving his furniture, as well as to a resettlement allowance; this last differs according to the countries and may amount to $400 for a married worker (plus $40 for each child in his care);

(d) if the worker's family is unable to follow him at once to his new residence, a separation allowance is given, to which is added the payment of travelling expenses for a monthly return home;

(e) credits are also provided for the building of homes in the growth regions (it is expected that 100,000 homes will be built by the end of 1965).

Such are the measures provided for and carried out by the E.C.S.C. to facilitate the geographical and occupational mobility of the coal and steel workers.

Section 2. The Policy of the European Economic Community[1]

The Treaty of Rome explicitly provides four fundamental freedoms of movement - for goods, persons, capital and services. The free movement of persons is provided for by articles 48 and 49, which are given below.[2]

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[1] Cf. in particular the annual General Reports of the E.E.C. Commission and more especially the Sixth Report relating to the year 1962 (July 1963, roneoed); also O.E.C.D., Vienna Seminar (September 1963), case study No. 5, "Active Manpower Policy in the European Economic Community", by Jean Dedieu, of the Social Affairs Directorate of the E.E.C. (roneoed).

[2] Cf. Treaty Establishing the European Economic Community and Documents Annexed, published by the Secretariat of the Interim Committee for the Common Market and Euratom, Brussels, 1957. A good commentary on articles 48 and 49 will be found in the study by J.-P. Pilliard, "La libre circulation des travailleurs dans les pays de la Communauté économique européenne", Droit Social, September-October 1961, pp. 476-478. See also, for a general account and a

(footnote continued on p. 158)

Article 48

"1. The free movement of workers shall be ensured within the Community not later than at the date of the expiry of the transitional period.

"2. This shall involve the abolition of any discrimination based on nationality between workers of the member States as regards employment, remuneration, and other working conditions.

"3. It shall include the right, subject to limitations justified by reasons of public order, public safety and public health:

(a) to accept offers of employment actually made;

(b) to move about freely for this purpose within the territory of member States;

(c) to stay in any member State in order to carry on an employment in conformity with the legislative and administrative provisions governing the employment of the workers of that State; and

(d) to live, on conditions which shall be the subject of implementing regulations to be laid down by the Commission, in the territory of a member State after having been employed there.

"4. The provisions of this Article shall not apply to employment in the public administration."

Article 49

"Upon the entry into force of this Treaty, the Council, acting on a proposal of the Commission and after the Economic and Social Committee has been consulted, shall, by means of directives or regulations, lay down the measures necessary to effect progressively the free movement of workers, as defined in the preceding Article, in particular:

(a) by ensuring close collaboration between national labour administrations;

(b) by progressively abolishing according to a plan any such administrative procedures and practices and also any such time-limits in respect of eligibility for available employment as are applied as a result either

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[2] (footnote continued from p. 167)
particular commentary on regulation No. 15 (which will next be discussed), the article by Xavier Lannes, "Les migrations de travailleurs entre les pays du Marché commun", Population, 1962, No. 1, January-March 1962, pp. 29-50.

of municipal law or of agreements previously concluded between member States and the maintenance of which would be an obstacle to the freeing of the movement of workers;

(c) by progressively abolishing according to a plan all such time-limits and other restrictions provided for either under municipal law or under agreements previously concluded between member States as impose on workers of other member States conditions for the free choice of employment different from those imposed on workers of the State concerned; and

(d) by setting up appropriate machinery for connecting offers of employment and requests for employment, with a view to equilibrating them in such a way as to avoid serious threats to the standard of living and employment in the various regions and industries."

On 16 August 1961 the Council adopted a regulation (No. 15) constituting the first application of articles 48 and 49 as well as a directive with a view to easing the administrative procedures.[1] If the priority of the national market over the Community market is still accepted, this is only partially and provisionally.

The national administrative departments have a period of three weeks in which to fill a vacancy on the home market; after this time has expired the job becomes available for a worker from another State Member of the Community. After one year's regular employment a worker from another State Member will have the right to a renewal of his permission to work in the same occupation; after three years' regular employment he will have the right to this renewal in another occupation for which he is qualified; after four years this worker will be placed on the same footing as the workers who belong to the country. The worker must be received with his spouse and his minor children; the spouse has the right to work and the children have the right to an education.

With the entry into force of the regulation the European Commission set up the European Co-ordination Bureau, whose purpose is to encourage within the Community the matching and clearing of vacancies and applications for jobs. This Bureau maintains regular contact with the national administrative departments and the specialised services which they have designated.[2] It collects and centralises the statistical data transmitted quarterly by the States Members, in conformity with the identical arrangements which it has worked out; it prepares and distributes at the beginning of each quarter the list of regions and occupations indicated by each country as having shortages or surpluses of labour; it draws up quarterly summary reports and prepares an annual balance sheet of the clearing and placement activities within the Community.

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[1] Journal officiel des Communautés européennes, issues of 26 August 1961 and 13 December 1961.

[2] Journal officiel des Communautés européennes, 23 June 1962.

An *advisory committee*, composed of representatives of the employers' organisations and trade unions, has been set up in order that employers and workers may be closely associated with the preparation and execution of the general policy of freedom of movement. A *technical committee* has also been created - it immediately started to study certain practical problems, especially the consideration of a *comparative dictionary of the occupations which most frequently give rise to migrations*. This dictionary will greatly facilitate the clearing operations between the national placing bodies. The technical committee has also given its approval to the organisation of a programme of courses for the specialised personnel of the national clearing services.

Regulation No. 15 is soon to give way to a second stage - the Commission has already drawn up a "draft regulation" which, if it is adopted, will be substituted for regulation No. 15. Broadly speaking, this draft provides for -

(1) an increasing equality of treatment between national and foreign workers; after two years of regular employment a foreign worker (belonging to a State Member) could be placed on the same footing as the national workers; a foreign worker who resided for three years in the territory of a State Member would be eligible for election to the bodies representing the workers in the undertaking; finally, parents and descendants dependent upon the worker (and not only his spouse and the children in his care) could follow him and settle with him in the country in which he found work;

(2) the abolition of the labour or residence permit for workers holding an employment contract whose validity does not exceed three months.

A study of the most recent statistics[1] concerning migratory movements within the Community clearly shows that these very liberal provisions are not likely to give rise to migration on a large scale in the years to come. In fact, everyone had in mind the possibility of a movement of *Italian* workers into the other five member

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[1] Cf. *Suprà*, Part I, Chapter I.

States, and no one foresaw the exceptional dynamism shown by the Italian economy for the past 15 years and more, especially during the last four years. At the present time, the other five countries are drawing on labour from outside the Community (Germany is still receiving some tens of thousands of Italians every year).

Finally, a recent study by the statistical services of the E.E.C. has shown that the general level of Italian wages has reached that of the other partners. It may as well be said that unless there is an acute economic crisis in Italy the E.E.C. regulations are likely to affect a few marginal cases.

The numerous provisions of the Treaty of Rome devoted to the improvement of the occupational mobility of the workers certainly appear to be more realistic.[1]

Article 3 provides for the creation of a European Social Fund in order to improve the possibilities of employment for workers and to contribute to the raising of their standards of living.

Article 117 states that "member States agree upon the necessity of promoting improvements in the living and working conditions of workers in order to ensure that they share in the general progress".

Article 123 entrusts to the Social Fund "the task of increasing the availability of employment and the geographical and occupational mobility of workers within the Community".

Finally, article 125 provides inter alia for "productive re-employment of workers by means of occupational re-training and resettlement allowances" and by "granting aid to workers whose employment is reduced or temporarily suspended, pending their full re-employment".

The Social Fund (article 3 and articles 123-127; regulation No. 9) has the task of reimbursing 50 per cent. of the expenditure devoted by the States or public collective bodies to the occupational re-training of unemployed workers, to the resettlement of unemployed workers, and to the maintenance of the wage-level of workers affected by reconversion of the firm to which they belong. The Fund is financed by the States Members (at the rate of 32 per cent. for France, 32 per cent. for Germany, 20 per cent. for Italy, 8.8 per cent. for Belgium, 7 per cent. for the Netherlands and 0.2 per cent. for Luxembourg). At the end of 1962 the Fund had taken part in a very large number of operations affecting 183,000 unemployed workers, of whom 103,000 were re-trained on the spot and more than 79,000 resettled (these last all came from Italy). Altogether, the expenditure of the Fund amounted to $12.3 million.[1]

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[1] All the information concerning the European Social Fund is taken from the first-class study by Dedieu which has already been quoted.

Besides the provisions mentioned above, the Treaties of Paris (Article 69, para. 5) and of Rome (Article 51)[2], contain provisions relating to the measures to be taken in the field of social security to facilitate the free movement of workers. These measures, which are based on the provisions of bilateral, multi-lateral and international conventions (in particular I.L.O. Convention No.48 concerning the establishment of an international scheme for the maintenance of rights under invalidity, old age and widows' and orphans' insurance) and which seek also to co-ordinate the social security legislation of different countries, are principally concerned with equality of treatment and the preservation of rights acquired or being acquired. At the request of the High Authority of the Coal and Steel Commission, the I.L.O. made a technical contribution to the preparation of a draft European social security convention, on the basis of Article 69, paragraph 5 of the Treaty of Paris. The Convention, signed at Rome on 9 December 1957, became, subject to certain formal amendments, Regulation No. 3 of the Council of the E.E.C. concerning the social security of migrant workers, adopted in accordance with the provisions of Article 51 of the Treaty of Rome. This regulation, the provisions of which have been progressively widened and developed, constitutes the basic text which, in the E.E.C. guarantees to migrant workers their social security rights in conditions analogous to those of non-migrant workers. The text is now in the process of being revised, in order to improve and simplify its content.

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[1] France - $4.6 million, Italy - $3.7 million, Federal Republic of Germany - $2.0 million, Netherlands - $1.5 million and Belgium $0.5 million. Of the 103,000 workers retrained, 69,000 were Italians, 19,700 Germans, 19,700 French, 3,500 Dutch and 1,400 Belgians. The labour force of the six member countries exceeds 70 million but it should be remembered that the unemployment rates are on the whole insignificant (less than 2 per cent. even if a wide definition of "unemployed" is used).

[2] Article 51 of the Treaty of Rome reads as follows: "The Council, acting by means of a unanimous vote on a proposal of the Commission shall, in the field of social security, adopt the measures necessary to effect the free movement of workers, in particular, by introducing a system which permits an assurance to be given to migrant workers and their beneficiaries:

(a) that, for the purposes of qualifying for and retaining the right to benefits and of the calculation of these benefits, all periods taken into consideration by the respective municipal law of the countries concerned, shall be added together; and

(b) that these benefits will be paid to persons resident in the territories of Member States.".

Section 3. Some I.L.O. Activities

In the preceding pages a general view has been given of the national and community policies for improving the occupational and geographical mobility of labour. In regard to the E.C.S.C. and the E.E.C. it has been seen that there is no lack of a legal arsenal and of financial means for tackling the problems which arise in the relation between the six member countries. But these are only some of the questions which these countries have to face, because the foreign immigrants are coming to an increasing extent from the poorer countries, European and African, of the Mediterranean. Therefore, attention must now be paid to the efforts made by the I.L.O., whose mission is universal, with a view to improving the general conditions for the reception of foreigners in the industrialised countries. Within the necessarily limited scope of the present study reference will be made only to the Equality of Treatment (Social Security) Convention, (No. 118) adopted at the 46th Session of the International Labour Conference in 1962, and the preparation of a European convention to co-ordinate the social security legislation of European countries which concerns all the Member States of the Council of Europe.

Geographical mobility would be much facilitated if foreign workers received the same social security benefits as national workers; freedom of movement from one country to another must have as a corollary equality of treatment in respect of social security.[1] Discrimination is however often embodied in legislation; thus the provisions of Convention No. 118, the principal aim of which is to eliminate this unjustified discrimination, are intended to secure to migrant workers a basic guarantee of their rights under social security legislation. The essential interest of this Convention lies in the extension to the whole of social security of a principle which had already been enunciated by the International Labour Conference in 1925, when it adopted Convention No. 19 concerning the equality of treatment of foreigners and nationals with respect to compensation for industrial accidents.

(1) The convention does not provide for any departures from equality of treatment within a country in the case of benefits the entitlement to which requires direct financial participation by the protected persons or their employers or a period of service in the occupation concerned.

(2) It does not lay down any residence requirements in respect of medical care, sickness benefit, compensation for accidents at work or for occupational diseases, nor for family benefit.

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[1] See F. Netter: "Social Security for Migrant Workers", International Labour Review, January 1963, p. 31.

(3) The Convention authorised a residence condition in certain other cases:

- six months immediately preceding the filing of claim, for grant of maternity benefit and unemployment benefit;
- five consecutive years immediately preceding the filing of claim, for grant of invalidity benefit, or immediately preceding death, for grant of survivors' benefit;
- ten years after the age of 18, which may include five consecutive years immediately preceding the filing of claim, for grant of old-age benefit.

The Convention also deals with the problems of the maintenance of rights acquired and rights in the process of being acquired: to this end it recommends the adoption of a system under which periods of insurance, employment and residence would be added together for the purposes of qualifying for, retaining or recovering rights, as well as for the calculation of benefits, and which would leave it to the Member States to settle among themselves the attribution of the financial burden of the benefits. The execution of these obligations depends on the application of various appropriate international instruments.

These are some of the essential provisions of this important Convention on equality of treatment for workers. This text is often in advance of the measures thus far being carried out and stimulates the countries concerned to take steps or conclude agreements which respect its spirit. Spain, Portugal and Algeria have recently signed agreements with the Federal Republic of Germany and with France, the main importers of foreign labour. It seems likely that the ratification of the Convention adopted at the 46th Session of the International Labour Conference will encourage the conclusion of such agreements in the future.

In addition, the Secretary-General of the Council of Europe has asked the I.L.O. to prepare on his behalf a draft convention on the social security of aliens and migrants, the purpose of which would be to co-ordinate the social security legislation of the Member States of the Council of Europe, on the model of Regulation No.3 of the Council of the E.E.C., and to take the place of the Interim European Agreement of 11 December 1953 which sought principally to assure equality of treatment in regard to social security within the bounds of the Council of Europe.

PART III

SOME FACTORS AFFECTING MOBILITY

From the comparative results obtained in this study is it possible to draw conclusions concerning the influence of various factors affecting mobility, both geographical and industrial or occupational?

We shall discuss first the geographical aspect, and then the industrial or occupational aspect, assembling in each case certain important factors affecting them. It will, however, need to be noted that a factor of decisive importance for one aspect of mobility is not without influence on the other.

To begin with, we shall refer to the individual interviews with workers and employers[1], in order to enumerate the factors most often mentioned, which have either a favourable or an unfavourable effect on one or the other, or both types of mobility. These are in fact attitudes or motivations which may provoke, encourage or retard mobility.

The interviews which we carried out in the undertakings, whenever this was possible, related to "mobile" individuals, people recently taken on who had already had other jobs, rather than to "stable" individuals; the numerous surveys already made of cases of the latter type and the small number of interviews which we could hold, made it necessary to attempt to find out from people's attitudes what encouraged mobility and what enabled the tendencies to immobility to be overcome. Among the factors in mobility or resistance to mobility which were most frequently identified in these interviews, we may mention the following elements, without being able to furnish a classification, in view of the smallness of the sample:

(a) Factors in Mobility

(1) From the point of view of the occupation

- to have opportunities for "rising" (not to get "bogged down");
- to have a less arduous trade (workers);

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[1] Cf. the Appendix to this study.

- to increase their occupational experience, in the first few years;
- to have better wages.

(2) From the point of view of environment

- to be in agreeable surroundings;
- to be in a university city (technical and supervisory staffs);
- for health reasons (to leave a region not very desirable from this point of view);
- to get housing or better housing;
- to enable the wife to work nearby (sometimes in the same factory);
- to live in a more agreeable district.

(b) Factors Retarding or Preventing Mobility

- lack of housing;
- wife's attitude (particularly for technical and supervisory staffs);
- better social advantages existing in the firm (or in the country);
- existence of substantial exceptional bonuses.

After this enumeration, certain factors need to be closely analysed. They are:-

(1) For geographical mobility

- regional wage differentials;
- regional differences in unemployment rates;
- housing;
- trade union attitudes.

(2) For occupational or industrial mobility

- differences in wages between industries;
- information and counselling for workers;
- facilities for acquiring new skills.

Section 1. Factors Influencing Geographical Mobility

(1) Regional Wage Differences

Regional differences in remuneration go some way towards explaining geographical mobility of labour.

Before going into detail, it should be explained that it will not be necessary to reproduce statistics exhaustively. In particular, so as not to overburden the text, we shall avoid giving monthly figures (or, a fortiori figures for shorter periods) because it has been clearly proved that regional differences in wages are relatively stable over short and medium periods. Indeed, the results for one year suffice in general to give an acceptable measure of the relative differences in remuneration for several years.[1]

The fact that there is not a national labour market appears clearly from the national statistics, since the average wage in one region can be 30 or 40 per cent. higher than in another for equal skills. These differences in wage rates would be enough in themselves to emphasise the obstacles to geographical mobility. It is nonetheless true that, as might be expected, the mobility of labour - in so far as it has occurred - has been from regions with a low wage level to those with a high one. This fact is confirmed by the following statistics:

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[1] For a justification for this statement it is sufficient to look through the statistical year books of the various countries under examination here. Over the years there are only very small differences in the order of the regions by average income or wages, gross or net, hourly or weekly, or by hourly or weekly labour costs (from the employers' point of view).

For examples, cf.:

Western Germany, the Statistisches Jahrbuch (table brought up to date every year concerning wages by region under the heading, "Durchschnittliche ... Bruttoarbeitsverdienste der Industriearbeiter ... nach Ländern");

France, Etudes statistiques, issue published every year in the second quarter;

Italy, l'Annuario statistico (table headed "Retribuzioni lorde minime contrattuali dell'industria e dei transporti"; data concerning several towns and various occupations).

(1) Taking the three big countries of Continental Europe (France, Germany (Federal Republic) and Italy), reference may be made to a survey which appeared in Etudes et Conjoncture, the review of the National Institute of Statistics and Economic Studies (I.N.S.E.E., France).[1] The results of the survey are given in table III-1.

"It will thus be seen that in Germany the regions Rhineland-Westphalia and Baden-Wurtemberg generally show the highest costs, whereas the lowest costs are most often seen in Schleswig-Holstein and Bavaria ... In France, the wage costs are in general highest in Paris (five industries out of eight) and lowest in the Aquitaine Basin ...

"The highest Italian costs are most often found in the north-west region (five industries out of eight), whereas the lowest costs are nearly always in southern Italy and the islands."[2]

Table III-1 Regional Differences in Labour Costs in 1960

	Labour Cost Highest	Labour Cost Lowest	Difference in per cent.
Western Germany			
1. Chocolate, confectionery, biscuits	Hamburg	Rhineland-Palatinate and the Saar	30.33
2. Fruit and vegetable preserving	North Rhine-Westphalia	Schleswig-Holstein	15.82
3. Farinaceous products	Hamburg	Bavaria	29.03

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[1] "Les coûts de main-d'oeuvre dans diverses industries des pays du marché commun", Etudes et conjoncture, November 1963, pp. 1019-1061. The regional survey also covers the Netherlands (the highest costs are in all cases in the region Noord-Zuid-Holland-Utrecht). Note that the "regions" under consideration are the Länder in Germany but not the regions in the administrative sense in France and Italy.

[2] Op. cit., pp. 1039-1040.

Table III-1 contd.

		Labour Cost		Difference in per cent.
		Highest	Lowest	
4.	Shoes	Baden-Wurtemberg	Schleswig-Holstein	14.60
5.	Plywood	North Rhine-Westphalia	Bavaria	13.65
6.	Wood furniture	Bremen	Saar	16.50
7.	Hollow and plate glass	North Rhine-Westphalia	Schleswig-Holstein and Hamburg	26.37
8.	Precision machinery and optical instruments	Rhineland-Palatinate	Bavaria	21.30

France (same headings)

	Highest	Lowest	Difference in per cent.
1.	Paris	North	32.04
2.	Paris	Aquitaine Basin	35.13
3.	Rhône axis	Paris region	30.62
4.	East	North	22.57
5.	Paris	Massif central	27.48
6.	Paris	West	31.74
7.	Mediterranean	East	36.14
8.	Paris	West	40.57

Italy (same headings)

	Highest	Lowest	Difference in per cent.
1.	North-west	South and the islands	18.65
2.	Central and north-east	do	20.28
3.	North-west	do	18.54
4.	Central and north-east	do	32.92
5.	North-west	do	3.19
6.	North-west	do	11.86
7.	Central and north-east	do	17.86
8.	North-west	Central and north-east	10.53

A glance at the chapter (I,1) on geographical labour mobility will show that (down to 1960) -

in Germany: Hamburg, North Rhine-Westphalia, Baden-Wurtemberg and Bremen were the Länder of internal immigration, whereas Rhineland-Palatinate, Schleswig-Holstein and Bavaria were the regions of internal emigration.

in France: Paris, the Rhône axis and the Mediterranean region (immigration) are in contrast to the Aquitaine Basin, the West, the Massif Central and the North (emigration).

in Italy: The "north-west" region includes in the main Turin-Milan and Genoa, to which hundreds of thousands of workers from southern Italy and the islands have migrated.

Some more detailed statistics may now be given by country - Germany, France, Italy and the United States.

(2) Federal Republic of Germany

Statistics of the average regional wages in industry (gross wages, i.e., before deduction of taxes and of various legal or contractual contributions paid by the workers) are available for each Land. It will be sufficient to give in the following table the gross wages for males in August 1960, arranging the regions in descending order.

Table III-2 All Industries: Average Gross Wages (August 1960) by Region. Net Internal Migratory Movements 1950-62

Länder	Gross hourly wages in pfennigs	Net internal migration	
		Number	Percentage of 1961 population
Hamburg	337.4	+ 153,597	+ 8.38
North Rhine-Westphalia	307.8	+ 959,026	+ 6.03
Bremen	298.0	+ 115,661	+ 16.37
Saar	296.5	(not available)	-
Hesse	287.5	+ 133,681	+ 2.78

Table III-2 contd.

Länder	Gross hourly wages in pfennigs	Net internal migration	
		Number	Percentage of 1961 population
Schleswig-Holstein	287.5	- 500,311	- 21.59
Lower Saxony	285.8	- 994,269	- 14.97
Baden-Wurtemberg	280.1	+ 509,379	+ 6.56
Rhineland-Palatinate	274.0	+ 84,230	+ 2.46
Bavaria	262.3	- 465,407	- 4.89

Wages: cf. Statistisches Jahrbuch, 1961, p. 503.

Migratory movements: table I-1-20, last line.

Although not perfect, for many other factors help to explain the migratory movements, the connection between Länder of immigration and high wages seems very convincing.

(3) France

The departmental or regional wage statistics are lacking in precision: no series is given in the Annuaires statistiques de la France, and reference must be made to the meagre collection which has already been mentioned (in Etudes statistiques, issues for the second quarter of every year). Thus only the average net annual wages by sex and by department are available (full-time wages for persons who have worked for the same employer throughout the year, private and semi-public sectors), without any distinction being made according to skill.

In 1958 (Etudes statistiques, 1960, No. 2) it is seen that the Seine Department (Paris) is the one in which average wages are highest; then follow in order Seine-et-Oise (around Paris), Bouches du Rhône (Marseilles), Rhône (Lyons), Moselle (East), and Seine-et-Marne (Paris region); inversely, the lowest wages are paid in most of the departments in the west, centre and south-west.

In 1961 (same review, 1962, No. 2) the results are of the same type - in the following table (III-3), the regions have been arranged in descending order of average wages (both sexes) and the extent of the net migratory movements in 1954-62 has been recalled (cf. table I-1-9).

Table III-3 Average Wages (1961) and Net Migratory Balances (1954-1962) by Region

Regions	Annual Wages (1961) francs	Net Migration (1954-1962)		Position according to previous column
		Number	Percentage of 1962 population	
All FRANCE	8,316	+1,324,649		-
1. Paris Region	10,962	+ 740,100	8.81	2
2. Provence-Côte d'Azur	8,045	+ 348,700	12.35	1
3. Rhône-Alpes	8,045	+ 214,400	5.36	3
4. Lorraine	7,741	+ 51,100	2.32	5
5. Haute Normandie	7,634	+ 11,300	0.81	11
6. Nord	7,402	- 8,300	- 0.23	13
7. Alsace	7,375	+ 28,400	2.17	6
8. Franche-Comté	7,315	+ 5,700	0.61	12
9. Picardy	7,275	- 11,100	- 0.75	15
10. Champagne	6,969	- 10,800	- 0.90	16
11. Burgundy	6,956	+ 14,000	0.98	10
12. Auvergne	6,831	- 5,500	- 0.43	14
13. Midi-Pyrénées	6,830	+ 29,000	1.41	8
14. Aquitaine	6,807	+ 44,100	1.91	7
15. Languedoc	6,741	+ 77,049	4.98	4
16. Pays de la Loire	6,608	- 45,600	- 1.87	18
17. Centre	6,508	+ 20,700	1.12	9
18. Basse Normandie	6,455	- 59,200	- 5.94	21
19. Brittany	6,324	- 84,700	- 3.57	20
20. Poitou-Charentes	6,281	- 27,700	- 1.92	19
21. Limousin	6,176	- 7,600	- 1.04	17

Without being perfect, of course, the correlation between the average level of wages and the migratory movements seems to be very clear; at the two extremes, in particular, there are evident links between the two variables.

(4) Italy

The dual nature of the Italian economy emerges with such regularity in all the statistical series that it is not surprising to see the very clear relation between geographical migration and relative levels of remuneration. In an earlier chapter the strength of the migratory movement to the regions of which Milan, Turin, Genoa and Rome are the centres, was shown.[1] From a study by Professor Mariani[2] the following conclusion may be drawn - in the metal trades and compared with the highest wage zone (Milan, Turin, Genoa and Rome) the wages of salaried employees and workers (skilled, semi-skilled and labourers) are lower by 3 to 5 per cent. in the other northern provinces, by 5 to 10 per cent. in the provinces of the centre, and by 10 to 20 per cent. in most of the provinces of the south and the islands (except in Naples, where the differential is approximately -6 per cent.).

The following table provides some details:

Table III-4 Differences of Remuneration by Wage Zones in Italian Metal Trades (August 1961)
Indices, Milan and Turin base = 100

Wage Zones and Provinces	Salaried Employees		Workers		
	1st. cat.	3rd. cat.	Skilled	Semi-skilled	Labourers
Zone 0					
Milan, Turin,	100	100	100	100	100
Genoa, Rome	98.4	98.5	98.5	98.5	98.5
Zone 1					
Como, Florence, Sondrio, Verbania	96.9	97.1	97.0	97.0	97.0
Crema	99.2	99.2	99.2	99.2	99.2
Biella	97.9	97.9	97.9	97.9	98.0
Varese	97.9	97.9	97.9	97.9	97.9
Zone 2					
Aosta, Bergamo, Bolzano, Brescia, Cremona, Gorizia, Imperia, Livorno, Massa Carrara, Novara, Pavia Pisa, Savona, Trento, Venezia, Vercelli and Trieste	95.0	95.1	95.0	95.0	95.0

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[1] Cf. table I-1-16.

[2] F.I. Mariani, "Il riassetto della struttura territoriale della retribuzioni nell'industria", Rassegna di statistiche del lavoro, 1962, No. 1-2, p. 17. The article stresses the long-term trend towards a reduction in the differentials.

Table III-4 contd.

Wage Zones and Provinces	Salariod Employees		Workers		
	1st. cat.	3rd. cat.	Skilled	Semi-skilled	Lab-ourers
Zone 3					
Alessandria, Belluno, Bologna, La Spezia, Mantova, Modena, Padova, Parma, Piacenza, Ravenna, Reggio Emilia, Verona, Vicenza	94.0	92.6	93.0	92.6	92.0
Naples	95.5	94.1	94.5	94.1	93.5
Zone 4					
Ancona, Asti, Cuneo, Ferrara, Forli, Grosseto, Pistoia, Rovigo, Siena	91.7	89.8	90.2	89.8	89.0
Udine	93.8	91.9	92.3	91.8	91.0
Palermo	93.3	91.4	91.8	91.3	90.5
Lucca, Treviso	92.8	90.9	91.3	90.8	90.0
Zone 5					
Ascoli Piceno, Cagliari, Catania, Frosinone, Latina, Lecce, Messina, Perugia, Pesaro, Pescara, Rieti, Salerno, Viterbo	91.2	87.5	87.1	86.0	84.5
Arezo, Bari, Tarento and Terni	91.2	88.0	88.3	87.8	87.0
Zone 6					
Other Provinces	86.9	83.3	82.5	81.5	80.0

(5) The results just brought out for Germany, France and Italy are evidently in conformity with the most general economic "laws" - the regions of immigration tend to be those in which wages are highest. A similar tendency prevails in the United States as well (cf. the following table) where the regions of immigration and emigration are the States.

Table III-5 Migratory Movements and Average Weekly Income in United States Industry Ten States of High Immigration and Ten Others of High Emigration (Demographic Movements 1950-1960) Wages in 1960, 1961 and 1962

States	Percentage of Variation in Population		Average Gross Weekly Earnings (in dollars)		
	Total variation	Net immigration or emigration therein	1960	1961	1962
UNITED STATES (national average)			89.72	92.34	96.56
States of Immigration					
1. Florida	+ 78.7	+ 58.3	76.07	79.71	82.19
2. Nevada	+ 78.2	+ 53.8	113.30	115.60	121.10
3. Arizona	+ 73.7	+ 44.0	99.14	101.81	102.80
4. California	+ 48.5	+ 29.7	104.28	108.53	112.44
5. Delaware	+ 40.3	+ 20.1	91.01	93.03	98.33
6. Maryland	+ 32.3	+ 13.7	90.63	93.37	96.48
7. Colorado	+ 32.4	+ 12.3	98.25	103.48	106.75
8. New Jersey	+ 25.5	+ 11.9	93.93	97.60	101.66
9. Connecticut	+ 26.3	+ 11.7	93.26	97.27	101.35
10. New Mexico	+ 39.6	+ 7.7	82.58	84.99	88.88
States of Emigration					
1. Arkansas	- 6.5	- 22.7	62.71	64.56	66.23
2. West Virginia	- 7.2	- 22.3	93.27	97.96	101.29
3. Mississippi	0	- 19.9	60.50	61.93	65.27
4. D.C.	- 4.8	- 19.7	97.61	102.25	104.94
5. North Dakota	+ 2.1	- 17.0	81.85	87.48	88.18
6. South Dakota	+ 4.3	- 14.4	90.90	95.19	97.87
7. Kentucky	+ 3.2	- 13.2	83.92	88.18	91.03
8. Alabama	+ 6.7	- 12.0	75.65	79.20	82.61
9. South Caro.	+ 12.5	- 10.5	63.27	65.20	69.22
10. Vermont	+ 3.2	- 10.0	76.59	78.06	82.12

Sources: (1) Manpower Report of the President, p. 189, table E-1.
(2) Statistical Abstract of the U.S., 1963, p. 242.

Out of the ten States of substantial immigration (Alaska has been left aside) there are seven or eight - according to the years - in which wages are higher than the national average; as for the States of emigration, only three of the ten provide workers in industry with wages above the average. The relation between geographical mobility and wages is therefore clear in the United States as in the three European countries examined above.

2. Regional Differences in Unemployment Rates

The search for a link between geographical mobility and regional differences in unemployment rates must be made with great caution. This is so for reasons of at least three kinds.

(1) Unemployment tends to be associated with low wages (the regions with underemployment are those in which wages are lowest).

(2) Regional unemployment statistics are not always available[1], nor are they very excellent[2], nor without ambiguity[3]: they are therefore hardly comparable.

(3) As regards the countries of Western Europe unemployment is at a very low level; thus the possibilities for examining it are not very numerous: we shall consider the German case of the 1950s and the Italian case (France, Germany and Sweden are at present in a state of full employment).

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[1] From the Manpower Report (March 1963), it will be seen that 16 States in the United States had no unemployment rate statistics in 1958 (14 States in 1959, 10 in 1960, nine in 1961 and two in 1962); cf. table D-3, p. 171 of the report.

[2] For example, in France the "unemployed" correspond statistically to the average number of applications for jobs which have not been met; some specialists think that this number must be multiplied by four or five to show the true situation. This is almost certainly an exaggeration but one careful study found that the unemployment rate in France in 1960 would have been 1.99 per cent. instead of 1.1 per cent. if U.S. definitions had been used - R.J. MYERS and J.H. CHANDLER: "International Comparisons of Unemployment", in Monthly Labor Review, August 1962, p. 863.

[3] For instance, in Italy it is traditional to provide two very different sets of statistics to measure the unemployment rates - those of the Institute of Statistics (I.S.T.A.T.) and those of the Ministry of Labour and Social Insurance. It may be seen that for one and the same year the figures vary by 100 per cent. (or more). The truth lies between the two sets, nearer to that of the I.S.T.A.T., according to the Italian economists with whom we had various talks.

A. Germany at the Beginning of the 1950s

We have drawn on a survey recently published under the auspices of the Federal Office for Placement and Unemployment Insurance.[1] It will be seen that in 1952 the national unemployment rate was 6.1 per cent. (0.5 per cent. in 1962). The regional (Länder) rates in 1952 were as follows (in round figures):

West Berlin:	25	Hesse:	6
Schleswig-Holstein:	15	Rhineland: Hesse: Nassau:	4
Hamburg:	13	Palatinate:	4
Lower Saxony:	10	North Rhine-Westphalia:	3
Bremen:	10	Baden-Württemberg:	2
Bavaria:	9	Saar:	1

Thus the regions in which unemployment was least (Hesse, Rhineland, Palatinate, North Rhine-Westphalia, Baden-Württemberg and the Saar) should logically be likewise regions of immigration - this is what will be seen by referring to table I-1-20 (period 1950-1955).

In 1962, not only was the national unemployment rate insignificant but no Land suffered from substantial unemployment (2 per cent. at the maximum in West Berlin and Bremen). Within the Länder a few traces of (very low) unemployment still existed in Lower Saxony and Eastern Bavaria.[2] The migratory movements cannot be explained by the differences in unemployment rates but only (in part, of course) by the existence here and there of hidden unemployment (underemployment) in agriculture; unfortunately this type of unemployment is not recorded.

B. Italy

In no other industrialised country of Western Europe does the link between geographical mobility and differences in unemployment rates appear so clearly as in Italy - the dual nature of the Italian economy (though this is weakening a little) is so well known that there is no need to stress it. Although unemployment has considerably decreased in all the regions and provinces since the end of the war, it is still definitely higher in southern Italy and the islands than in the centre and the north.

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[1] Bundesanstalt für Arbeitsvermittlung und Arbeitslosenversicherung, Ein Jahrzehnt Bundesanstalt für Arbeitsvermittlung und Arbeitslosenversicherung, 1953-1963. Cf. in particular pp. 25 et seq.

[2] Op. cit., maps p. 27. As regards female labour, there were a few pockets of unemployment (greater than for male labour) in 1962 in Schleswig-Holstein, Lower Saxony, a small number of "districts" in North Rhine-Westphalia and in Southern Bavaria; nevertheless, the unemployment rate nowhere exceeded 3 per cent.

The statistical series provided by the Ministry of Labour and Social Insurance show five classes of unemployed - those who have already had a job, those who have never yet worked (adults and especially young persons), housewives, retired people who want to take up work again, and, finally, employed workers who wish to change their jobs. Here we shall take the first two "classes" of unemployed registered at the placement offices. The following table enables the positions in 1954 and 1962 to be compared.[1]

Table III-6: Population and Unemployment in Major Regions of Italy

Large Regions	Entered in Classes I and II on the Lists of Applicants for Work				Distribution in per cent. in 1962	
	--1954--		--1962--			
	1,000s	Indices	1,000s	Indices	of the total population	of the unemployed
North	832	100	388	46.6	44.95	33.38
Centre	270	100	160	59.2	18.59	13.74
South	639	100	451	70.8	24.42	38.82
Islands	219	100	164	74.7	12.04	14.07
Totals	1,960	100	1,163	59.3	100.00	100.00

With 37 per cent. of the total population, the south and the islands had in 1962 nearly 53 per cent. of the recorded total of people out of work in the two classes composed of those who have had a job and those in search of their first job.

It should also be noted that in comparison with 1954 the number of unemployed has fallen by more than 50 per cent. in the north, more than 40 per cent. in the centre, but less than 30 per cent. in the south and the islands.

In the opinion of all the persons with whom we came into contact (particularly senior civil servants, representatives of the Confindustria and of Intersind - i.e. of the "private" and "public" employers - and representatives of the trade union confederations - C.I.S.L., U.I.L., and C.G.I.L.), the great migrations from the south and the islands to foreign countries, as well as to the north of the country, have been the direct consequence of the existance of unemployment and underemployment. The wage variable has only played an accompanying part, since people from the south seek work above all at any wage; it is only after having been settled for a time in the north that the migrants become aware of the differences of wages between firms. This may explain the extraordinary growth in turnover which has already been referred to and which was confirmed for us in the undertakings visited.

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[1] We are reproducing the table which we drew up in the report previously quoted, O.E.C.D., document MO(64)6.

3. Housing

The problem of housing remains one of the strategic variables influencing all types of mobility - housing, when it is supplied by the undertaking, has the effect of substantially reducing inter-firm mobility by "attaching" the worker to the firm and often by obliging him to keep to the same trade.

In the United States, where the shortage of housing is not very great, it is home ownership which reduces the propensity to geographical mobility. In continental Europe, it clearly appears that the lack of housing accommodation (workers are still rarely owners) puts a brake on migration - a connection may be shown between the number of homes built during a recent year and the degree of geographical mobility.

For 1961, for example, the following statistics may be drawn up (table III-7):

Table III-7: Number of Homes Built

Country	Thousands of Homes	Number of Homes per Thousand Inhabitants
1. Germany (F.R.)	542.4	10.0
2. United States	1,365.0	7.4
3. France	316.0	6.9
4. Italy	313.4	6.2

Sources: For the European countries, Bulletin trimestriel de statistiques du logement et de la construction pour l'Europe, figures reproduced in I.S.T.A.T., Annuario statistico italiano 1962, p. 461 (table 448).

For the United States, cf. Statistical Abstract of the U.S. (for example, 1963, p. 755, table No. 1063).

If the conclusions to our chapter (I.1) on geographical mobility are consulted it will be seen that the order of the four countries according to the number of homes built in relation to the population is the same as that suggested on the basis of the comparison of migration statistics.[1]

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[1] Table I-1-26 (taking the lower of two U.S. figures).

Among the three European countries under consideration the very great advance made by the Federal Republic of Germany will be noticed.

The contrast is indeed very clear between the German situation, in which housing provided by the undertaking seems fairly general, at least for the large-scale undertakings and for the categories of foreigners and bachelors, and the French and Italian situations, in which, apart from the mines, oil refineries and a few other large firms (for example, Fiat in Turin), undertakings show little concern for workers' housing.

For the technical and supervisory staffs, housing provided by the undertaking, especially in Western Germany, has in many cases become a condition of employment. In France, the geographical decentralisation of Case F-1[1] was easy and was accompanied by rehousing of the displaced staffs and workers in agreement with the municipality. On the other hand, the lack of housing accommodation is regarded as the obstacle to the employment of foreigners and rural workers in numerous other cases (F-2 and F-5 in particular). Various inquiries prior to our own led to the same conclusions.[2]

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[1] Appendix to this report.

[2] Cf. for example, O.E.C.D., Castelfusano Seminar, Case Study of Oxelösunds Jarnverk (Sweden) by Bertil LILJEQVIST - creation of an iron and steel plant at Oxelösund on the Baltic with an initial investment of 500 million crowns (100 million dollars); the number of inhabitants in the town grew from 6,042 in 1955 to 12,518 in 1962; the effort put into construction was immense - 400 homes built per annum - and it preceded the immigration of the indispensable workers. See also a case of migration organised by a Dutch firm in the Groningen region (in close collaboration with the public office for local housing), Annex II to E.C.S.C., Obstacles à la mobilité des travailleurs et problèmes sociaux de réadaptation (op. cit.).

At the present time, all industrial decentralisation policies in France and Western Germany emphasise the need to remove the bottleneck caused by the shortage of workers' housing.

4. Trade Union Attitudes

Another factor which must certainly affect the mobility of labour, both occupational and geographical, is the attitudes and policy of trade unions towards mobility. Fears of dilution of labour, or of the undermining of established standards through the employment of immigrants, may cause them to have strong reservations about labour mobility; or, on the contrary, awareness of the need for adaptation to structural changes if economic growth is not to be impeded may lead them to co-operate with the authorities in measures to promote and facilitate labour mobility, and to negotiate safeguards for the interests of workers affected - safeguards which may relate not only to remuneration but to such things as tenure of employment and availability of housing and schooling. There can be no question here of attempting any statistical measurement or comparison of the effects of different trade union attitudes. But this report would be incomplete if it did not take note of what appears to be a favourable evolution in these attitudes in recent years.

The continental trade union of the "industrial union" type (the industry being defined very broadly) and not of the "craft union" type, is not likely to place great obstacles in the way of admission to the occupation, especially as trade union organisation is nearly always very incomplete, except in certain undertakings or occupations (government departments or nationalised undertakings); in France, as in Italy, it is moreover always in competition with other unions.

However, the craft unions have not disappeared; there are still some of them in many industrial federations. For the French case J.D. Reynaud may be quoted: "The clearest case is that of building: the tilers form a closed group, as has been shown by their reluctance to admit to their ranks the men trained by the F.P.A. (vocational training for adults)"; but the author also says that, "The case is exceptional".[1]

As for the trade union attitude towards geographical mobility, although it of course varies from country to country and from one trade union to another, resistance is not unknown.[2] A few examples may be given.

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[1] Les syndicats en France, Paris, Colin, 1964, p. 118.

[2] See in particular: E.C.S.C. Survey, Obstacles à la mobilité des travailleurs et problèmes sociaux de réadaptation (second part; Summary of inquiries into the attitude of workers' trade union organisations); O.E.C.D. Wiesbaden Seminar (Report No. 5: Role of trade unions in the adaptation of rural and foreign workers, by R. LOUET of the French C.G.T.-F.O.) and Castelfusano Seminar

(footnote continued on p.193)

Opposition to any geographical mobility of labour (essentially for political reasons) was expressed by the C.G.T. (France) a few years ago -

"Rationalisation, regrouping, reconversion, decentralisation, are nothing but various aspects of a fundamental economic law - the law of capitalist concentration. At the same time this financial concentration takes the form of a local decentralisation. The movements of labour tend to put these two phenomena into practice ... Mobility is thus an effect and a means of capitalist concentration. It cannot be organised in the workers' interests. It is a factor in weakening and pauperising the working class. The C.G.T. and its federations therefore could not approve it, much less take any responsibility for it."[1]

However, the opposition is less absolute in the case of reconversion on the national scale (and not within the Community). Here the C.G.T. thinks "that re-employment must not involve ... any compulsory removal. Any removal agreed to by the workers would entail complete compensation for the cost, including that of rehousing those concerned and their families".

A co-operative attitude, but still reserved, represents the usual position of the non-communist trade unions. On the whole, these are much more favourable towards the opening of factories in regions suffering from underemployment and unemployment than to the transfer of labour (cf. Project G).

On this point, a German trade unionist, Herr BEERMANN (of the D.G.B.) may be quoted -

" ... it must be clearly realised that the limits of geographical mobility are very narrow, for in very many cases the change of domicile involves negative human, personal and likewise family consequences. From the strictly economic point of view, there is

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[2] (footnote continued from p. 192)

(Report No. 4: Role of the workers' trade unions in regard to the geographical and occupational mobility of labour, by P. JEANNE, of the French C.F.T.C.): there are reservations concerning geographical mobility and a strong desire to collaborate with the authorities in the sphere of occupational readaptation on the spot; cf. also Confederazione Italiana Sindicati Lavoratori (Christian C.I.S.L.), "L'engagement des syndicats pour la protection des travailleurs dans une situation de grande mobilité territoriale", in Documentation syndicale italienne (in French; kindly supplied by Mme. Fabrizia BADUEL).

[1] E.C.S.C. Survey, 1956, French trade union report, p. 120, op. cit.

a temptation to shift men from their homes to places where jobs are vacant. At first sight it seems that such a step - seen from the purely economic point of view - is just and expedient. But once the action taken in this field exceeds a certain volume, its final effect shows that the economic costs increase ... In the long run, and for general human and social reasons, it seems to be much more important to introduce an active manpower policy, so that industries will be started to a greater extent than at present in regions where there is a surplus of labour, thus integrating the available labour into the economic life of its usual local surroundings."[1]

The same position was adopted by a qualified representative of the French C.F.T.C. -

"Trade unionism admits the need for mobility of labour but desires that this solution be employed only when mobility of capital and equipment and structural change have been effected or seriously contemplated."[2]

And the same author recalls the opinion of the European Regional Organisation of the I.C.F.T.U. (1959 resolution) -

"The free trade unions declare themselves in favour of mobility of manpower, which must however be achieved in a framework of carefully designed programmes and measures ... Migrations cannot effectively replace a long-term policy of full employment and structural stability, either for individual countries or for Europe as a whole."

A still less reserved attitude to geographical mobility is adopted where migration is a basic need of economic development, particularly in Sweden and above all in Italy. The Italian C.I.S.L. which, more than any other confederation perhaps, has realised the extreme importance of the migratory movement from the south to the north of the peninsula, may be quoted -

"The great territorial mobility of labour is ... not in itself a bad thing: it is an aspect of the economic development of our country, and from a certain point of view it happens in proportion to this."

The C.I.S.L. must endeavour "to reduce to the minimum for people and for the system the occurrence of negative effects, due to the human and social cost of the development".[3]

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[1] Beermann Report, already quoted, pp. 3-4 of French edition.

[2] Jeanne Report, already quoted, pp. 4 and 11 (French text).

[3] Documentation syndicale italienne, already quoted, pp. 1 and 2.

Positive support for measures to promote geographical as well as occupational mobility is contained in a statement on the Achievement and Maintenance of Full Employment adopted at the Seventh World Congress of the I.C.F.T.U. in 1962, which includes the following:

> "An active labour market policy is needed also in countries with high economic activity and, on the whole, full employment ... The means and instruments of active labour market policy ... [include] direct financial contributions, such as travel and family allowances, to stimulate the mobility of workers."[1]

Altogether then, an active understanding of the demands of economic development is to be increasingly seen within the trade union organisations themselves, though they are traditionally distrustful (as a result of bitter experience) in regard to certain consequences of structural change in the economies of today; no doubt the activities of the authorities, which we have examined above, have had some influence on the new attitudes of the workers' representatives.

II. Some Factors affecting Occupational or Inter-Firm Mobility

We shall deal in turn with the efficiency of the facilities available for meeting industry's needs for new skills and the part played by information and guidance services.[2]

1. Adjustment to Industry's Changing Needs for Skills

This section lays no claim to put forward any firm conclusions and we confine ourselves to making a few remarks suggested by visits to firms in France, Western Germany and Italy (cf. Appendix).

A worker's mobility, in terms of occupation, depends on his adaptability to technical change. Of course, a proportion of new jobs are taken up by the younger age groups, but workers already in employment - apart from those who are compelled to change jobs by a local labour surplus - may move to another occupation either in the same firm or in another industry or area. Sometimes these shifts entail promotion and higher earnings.

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[1] I.C.F.T.U., Report of the Seventh World Congress, Brussels, 1962, p. 746. See also the speech by Mr. Odhner, Sweden, introducing this statement, loc. cit. pp. 551 ff. Similarly the Triennial European Regional Conference of the I.C.F.T.U. in September 1964 pressed for action connected with the European Social Insurance Agreement "to create the main social-political prerequisites for free mobility of manpower throughout Europe" (Resolution on Social Policy).

[2] The authors also attempted to investigate the influence of inter-industry wage differentials on inter-industry mobility, but lack of data and difficulties in interpreting such data as was available led to abandonment of this attempt.

Adjustment to new skills can be analysed from two angles. In some cases the adjustment is induced by the firm's own needs for new skills as a result of modernisation (which is, of course, quite common during periods of expansion), while in other cases it may take the form of a spontaneous adjustment arising out of a deliberate decision to give up one occupation in order to train for and work in another occupation in a different firm, industry or area. Some analyses of trends in industrial employment, in which the authors emphasise the extent to which semi-skilled jobs are broken down and have a specific technical character, might suggest that patterns of employment are becoming increasingly inflexible and that adjustment would be more difficult as a result. This interpretation, however, can be reversed, for even if many jobs are broken down and specific in character this does not mean that the workers performing them cannot adapt themselves to other jobs - on the contrary, the well-known dissatisfaction caused by these jobs may foster a greater psychological readiness for change. This is examined below from the two standpoints just mentioned; the difference between induced and spontaneous adjustment is due to the fact that in these two cases of occupational mobility, turnover is reduced or eliminated in the first case, but increased in the second.

(1) Induced Adjustment within One Firm

As technical progress takes place in a climate of competition (monopolistic or oligopolistic), all firms, especially big firms, are under pressure to make internal technical changes. Owing to the relatively small number of skilled jobs, employers often prefer to rely on internal promotion whenever possible, instead of recruiting workers from outside, especially since the special demands of these jobs are such that new skilled workers often require a special course of training before they can take their place in production. Moreover, workers themselves are usually inclined to take any new opportunities of promotion open to them. It can therefore be suggested that the speed and extent of technical progress results in an increasing tendency towards adjustment and occupational mobility without inter-firm mobility.

Our case studies tend to confirm this interpretation. Whenever we put the question: "Have you had to discharge workers solely because their skills no longer met the needs created by new techniques?", employers invariably said that, on the contrary, adjustment by their workers to the new techniques was easy and frequent.

This entails providing internal training facilities or enabling workers to attend inter-firm training schools without loss of pay. The latter case is encountered in the German textiles, building and shipbuilding industries, in the French electrical engineering industry and in the Italian petro-chemicals industry.

The former case is, however, more widespread, as in the training of welders in the German shipbuilding industry, of workers on new machinery in the French and German textiles industries and in the Italian motor-car industry (these are all cases actually observed during the course of this inquiry).

Internal training for skilled jobs is naturally given to the pick of the semi-skilled workers, who in turn can be replaced by the best labourers. In other words, it is safe to say that in an expanding economy, occupational mobility through internal promotion meets a large part of the need for more highly skilled labour. Upgrading is, in fact, inherent in growth, and is evidence of the considerable capacity of a section of the labour force to adapt itself and benefit by further training.[1]

(2) Spontaneous Adjustment

Spontaneous adjustment implies a deliberate decision to leave one occupation and train for work in another occupation in a different firm, industry and sometimes area. It involves, of course, a greater effort and usually entails financial sacrifices, as well as mental hardship of the kind that always occurs whenever an individual changes his social environment.

The example of a French firm making measuring equipment showed the frequency of complete changes of occupation among men and women who had also changed firms. Out of 50 assemblers (women), 32 per cent. had formerly worked in other occupations or served apprenticeships for jobs other than those in which they were working (ten dressmakers, four home-helps, one typist and one medical auxiliary); out of 200 assembler-riggers (men and women), ten per cent. had changed occupations. Although no generalisation can be made from this case, it would appear to bear out the hypothesis that such adjustments to new skills are due to the lack of opportunity or low wages in former occupations. Taking this firm's labour force as a whole, cases of changed occupations accounted for 19 per cent. of the total. The growth of new industries and the relative stagnation of others, and the wage differentials between them, undoubtedly account for these changes.

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[1] It would undoubtedly be interesting to explore the extent to which wage systems (i.e., fixed or based on results) constitute an incentive to take advantage of those opportunities - the prospect of higher earnings encourages induced adjustment, but systems of payment by results often enable semi-skilled workers to earn far more than the average for their category and sometimes even more than certain skilled workers. The hypothesis can be advanced that systems of payment by results are less favourable to induced adjustment than time systems. This fact might partly explain the low rate of inter-firm transfers by clerical workers, who are usually paid on a time basis and have greater incentive than manual workers to adjust themselves and rise step by step in the same firm.

We also noted, especially in the German textiles industry, a high rate of seasonal occupational mobility, i.e. into public works in the summer in the case of men and into retail trade in winter in the case of women. Although of only limited economic significance, these examples do demonstrate the great capacity of workers to make occupational adjustments whenever the circumstances are suitable. The diversity and, therefore, the size of the labour market, is a very important factor in this. The large average size of the towns and the relative importance of towns with over 100,000 inhabitants in Germany (Federal Republic) and the United States doubtless help to explain the considerable mobility of workers and the ample opportunities open to them to change their occupations.

Occupational mobility is lowest among the rural population, which usually has to move to another geographical environment as well. The scale of the drift from the land is further evidence of workers' ability to change their occupations. This drift is, as was noted earlier, hastened by industrial decentralisation, because the building of factories in or near rural areas engenders additional occupational mobility.

2. Information for Workers - Placement and Guidance

Information - making for a "transparent" market - is necessary to ensure satisfactory mobility of labour. Is it possible from the statistics and cases observed, relating to the three countries examined more particularly here, to detect differences in information services which might help to explain the differences in mobility?

(A) Role of the Placement Offices

Let us first take note of the important differences shown by the statistical data concerning the activity of the placement offices - the following table (V- -1) reveals the very small part played by the French Government department in this matter.

Table III-8: Placements effected by the Local Offices in Germany, France and Italy during the Years 1958-1962

(in thousands)

	1958	1959	1960	1961	1962
Western Germany					
Total	3924	3872	3617	3188	2836
including short-term placements	1525	1575	1527	1163	994
France	417	411	431	435	436
Italy	4959	5319	6058	6103	5964

National sources assembled by the Statistical Office of the European Communities (cf. Statistiques sociales, 1963, No. 4, tables VI/1, VI/2 and VI/3). We have ignored the decimals.

Short-term placements are defined in Western Germany as those with a probable duration of less than a week. For France 15,000 repatriates placed in jobs in 1962 must be added. For Italy, the five classes distinguished by the Ministry of Labour and Social Insurance have been covered.

Attention should also be drawn to the great importance of the official placing in Italy (the only kind recognised by the law) and the slow but substantial decline of the placings in Germany - leaving aside the period of surplus labour, during which the effectiveness of the Federal Office for Placement and Unemployment Insurance is recognised, employers often told us that its activity is now confined to the recruitment of foreign workers in their country of origin. Information (and training) centres have been opened in Italy, Greece and Turkey. Certain undertakings, whose need for labour for heavy work is acute, especially in mining, have moreover had to organise their own recruiting activities not only in Europe (Turkey) but even in such countries as South Korea, Japan and Chile! It sometimes happens that worthwhile steps initiated by the most dynamic undertakings are organised little by little and on a wider scale by the Federal Office.

In France, the labour services exert a limited influence - their information activity, apart from the placing of temporary labour surpluses in a town or region, relates to the marginal workers (disabled, aged and, on occasion, repatriates from Indo-China, the three countries of the Maghreb and elsewhere).

It may be noted finally, that in Italy a half of the placing is concerned with the agricultural sector (seasonal workers), although the active population in this sector fell from 32 to 28 per cent. of the total active population between 1958 and 1962.

(b) Guidance for Young Workers

Everywhere a special role has devolved upon the public bodies in regard to the young. In this sphere, the organisation of apprenticeship in the factories in Western Germany and Italy attaches particular importance to guidance and placement at the time of leaving the primary school (14 years, but in fact less for a large proportion of young Italians).

In Western Germany especially, the Federal Office, by means of guided visits to industrial undertakings and by giving information in the schools, succeeds in greatly influencing the choice of a trade. In any case, there has been a considerable change in the occupations chosen during the past ten years (fairly faithfully reflecting the great change in the structure of employment in the national economy) as may be seen from the following table (III-8).

Table III-9: Principal Categories of Applications by Young People for Apprenticeship (1950 and 1960) - (Germany, F.R.)

Per thousand applications

Applications decreasing			Applications increasing		
	1950	1960		1950	1960
Masons	71	24	Employees in Wholesale Trade	70	102
Painters	21	18	Automobile Workers	49	66
Retail Shop Assistants	18	16	Electrical Fitters	38	42
Locksmiths and Building Workers	24	15	Public and Private Administration	9	29
Agriculturalists	42	15	Radio Electricians	5	23
			Toolmakers	10	17
			Teachers	6	21
			Draughtsmen	5	16
			Engineers	3	14

It will be noted that there was a general decrease in the applications for the agricultural and building trades (the building sector has maintained a satisfactory rythm for several years - 450,000 to 550,000 homes per annum, or one for a hundred inhabitants) and a general increase in the "tertiary" trades. The activity of the Federal Office in placing young people has moreover increased because the percentage of requests for guidance which have led to an actual placement has grown from 50 to 60 per cent. for men and from 26 to 42 per cent. for girls. The bases for the information given by the Office are the offers of places as apprentices provided by undertakings. On this subject it may be pointed out that although the Office's placement rate in relation to the applications from young people has gone up, the rate at which the offers made by employers have been met has fallen, largely because of the decrease in the number of "school leavers" from 1953 to 1960 - the unfilled vacancies amounted to about 40 per cent. in 1960-61.

It may therefore be concluded that the Federal Office is very effective, if not from the point of view of the mobility of adults, at least as regards that of the young people. Occupational mobility from one generation to another, and its adaptation to economic changes, has been facilitated.

There is no doubt that the guidance services attached to the Ministry of National Education in France likewise play an important part in this. However, apprenticeship in the undertaking (which is much more usual in Western Germany) creates a direct connection between the supply and demand for places as apprentices at the time of leaving school, whereas in France apprenticeship at a centre (public or private), whatever other qualities it may have, does not create this close link. In Western Germany, the choice of an apprenticeship is already the choice of a trade in an undertaking which offers jobs in this trade (Itally, generally speaking, resembles Western Germany in this). In two West German undertakings which were visited (shipbuilding and public works), we saw attractive and detailed information brochures which are distributed in the schools by the employers' organisations, dealing with the trades, their content and their openings. We did not meet with any similar cases in France. However, in France the University Statistical Bureau (B.U.S.), a public body responsible to the Ministry of National Education, has made a big effort to spread information in the schools with regard to careers. Correspondents of the B.U.S. diffuse this information and are available on certain days to see parents, children or students. But the fact that in any case, except on leaving the University, people do not go straight into the undertakings reduces the effectiveness of the work of the B.U.S.; when in exceptional cases undertakings have themselves organised apprenticeship centres (for adolescents leaving school), they are mostly large nationalised undertakings (mines, railways ...) in which employment is tending to fall and which only open the doors of their centres to the sons of their employees.

(C) Information for Adults (Other than Placement Offices)

In France, information on training, which seems to us to be an important factor in mobility, exists for adults through the medium of the F.P.A. and the "promotion sociale" (Chapter II,1); these are effective institutions which, however, are still only of interest to a small number of workers.

In France as in Western Germany, good information on the state of the various labour markets is provided by the advertisements in the newspapers; this method strikes home especially in Western Germany, both by the number of pages devoted to the advertisements and by their wording (the preciseness and the insistent tone of the advertisements themselves strike the reader immediately; two examples are given in Case A/5, but the part they play was pointed out to us in all the undertakings in the large towns). The importance which this method has assumed is such that the Bundesvereinigung der deutschen Arbeitgeberverbände undertook a propaganda campaign in 1958 against overbidding or poaching (Abwerbung).[1] The French newspapers also contain a growing number of job advertisements. Altogether, our interviews both in France and in Germany showed the great part played by this method of giving information. In Italy, on the contrary, this means of showing the state of the labour market is much less used; among the possible explanations are - the lower "consumption" of newspapers by the mass of the people, the still high degree of illiteracy or partial illiteracy, and finally the attitude - among the workers and particularly the candidates for internal or foreign emigration - of relying more especially on the judgment of their friends or relations who are already working in an undertaking; these last willingly agree to assist in placing the emigrant candidates - family solidarity played a prominent part during the great migration at the beginning of the 1960s.

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[1] For example, the Bundesvereinigung published in 1960 a document entitled. "The dangerous consequences of poaching labour - anti-economic, unfair, anti-social".

PART IV

SUMMARY AND CONCLUSIONS

In concluding this inquiry, it may be helpful to sum up the results and to point out the limitations of the analysis.

Of the different concepts of mobility usually encountered in scientific literature, we eliminated all those that came under the heading of social psychology and those that deal with regular movements by workers to and fro: three types of mobility have been dealt with:

- Geographical mobility, implying at least a change of residence from one local authority to another in Germany (F.R.), Italy and France; the American statistical sources compelled the investigators to include changes of residence within the same town as well.
- Occupational (or job) mobility, implying a change of trade; nevertheless the nature of the statistics available in every country makes it necessary to point out that this type of mobility has been studied from the standpoint of movements between sectors rather than between occupations (or jobs), because very often we have had to make do with series of statistics showing changes in the pattern of employment over a period of time, i.e. we have had to consider any worker to be "mobile" if he left a sector (or industry) and entered another sector (or industry), even if this change did not entail a change of trade.
- Inter-firm mobility, merely involving a change of employer.

We summarise below the salient results covering the period since the Second World War in the case of three large countries in the European Community, Sweden and the United States.

Part 1: Statistical Survey of Labour Mobility

Chapter 1 - Geographical Mobility

There have been very great changes in migratory movements in recent years. Europe nowadays hardly exports any manpower to other continents and, in fact, the industrialised part of Western Europe now imports foreign workers from Africa or Mediterranean

Europe. These movements are due partly to differences in economic growth rates and partly to decolonisation in Africa and elsewhere, which has involved the repatriation of capital and Europeans, often combined with large-scale immigration by natives of the ex-colonies. Between 1950 and 1960, the European countries of the O.E.C.D. received a net balance of 1 million persons from abroad, and after the end of the war in Algeria a further million settled in France.

Taking countries individually, they can be classified either in accordance with the absolute number of net immigrants (the United States followed by Western Germany, etc.) or in accordance with the number of net immigrants in relation to the average population over the period (Switzerland followed by Canada). The countries of emigration can be classified in accordance with the same criteria (Italy followed by Spain in absolute terms, and Ireland followed by Portugal in relative terms).

France. Since 1945, France has enjoyed a population revival as a result of the marked, long-standing increase in the birth rate (the population aged 15 and under increased from 22.7 per cent. of the total in 1950 to 26.2 per cent. in 1962). This rejuvenation has not been accompanied by a reduction in the active population; there has been net foreign immigration (Italians, Spaniards and Algerian Moslems). Economic development has been accompanied by internal migrations; while the Paris area still retains its attraction, the Rhône Valley and the Mediterranean coastal area have also been favoured by migrants because they are less dependent on certain sources of energy and many of the migrants deliberately choose these areas because of their pleasant climate. On the average, one-and-a-half million people change their communes of residence every year, (i.e. 3.5 per cent. of the total population) and 400,000 move to another region.

Italy. The resident population of Italy only increased by 3 million (6.2 per cent.) between the censuses of 1951 and 1961; this was due partly to the fall in national and regional birth rates and partly to a net emigration of 1,704,000 persons, mainly to Switzerland, Germany and France. At the present time, emigration to the neighbouring countries is showing a steady decline and it is possible that as economic expansion proceeds, there will be a net balance in the opposite direction in the years ahead. From 1960 onwards the main movement was within Italy itself, i.e. from the south and the islands to the Rome area and the north-west, where many hundreds of thousands of Italians have sought and found work in industry. Taking the country as a whole, there have been, on the average, one-and-a-half million changes of commune of residence annually, about a third of them involving a change of region as well.

Germany (Federal Republic of). The sharp increase in the population has been mainly due to the influx of refugees from the eastern territories, and, since the complete elimination of unemployment in 1960, to immigration by foreign workers - Italians, Spaniards, Greeks and Turks. During the early years of the period 1950-63, large-scale internal migrations took place which altered the regional balance (away from Schleswig-Holstein, Lower Saxony and Bavaria and towards Bremen, Hamburg, the Rhineland and Baden-Württemberg). In more recent years, the net balance of internal migratory movements has been much smaller, but even so, more than 3 million West Germans on the average move to another local authority every year and about a third of them move to another "Land".

It will be noted that in France and the Federal Republic of Germany, (but not yet in Italy), migratory movements are to towns of average size (between 5,000 and 100,000 inhabitants) much more than to the big cities.

United States. Every year, nearly 35 million Americans move to a different house but the figures for changes of county are very different - of a total of 11 to 12 million, 50 per cent. move from one county to another in the same state and 50 per cent. from one county to another in different states.

In all, internal migrations do not (after making allowance for differences in definition) appear to have been on a markedly larger scale in the United States than in the Federal Republic of Germany; France and Italy come next.

Chapter 2 - Inter-Sectoral Mobility

The high rates of economic growth in Western Europe (between 1950 and 1960 the average annual rise in the G.N.P. was 7.7 per cent. in Germany, 4.4 per cent. in France and 5.9 per cent. in Italy) account for the far-reaching changes in patterns of employment.

Everywhere, the proportion of employees has increased. Compared with a total active civilian labour force, the proportion increased from 64 per cent. to 71 per cent. in France (1954-62), from 69 per cent. to 77 per cent. in Germany (1950-62) and from 55 per cent. to 64 per cent. in Italy (1954-62), The average national rate of decline in the number of self-employed persons and family workers was 2.9 per cent. in Italy , 2.8 per cent. in France, 2.7 per cent. in Germany and only 2.4 per cent. in the United States. The drift from the land maintained at least a steady rate when it did not actually increase. The number of mine workers showed a fall in every country, while services attracted growing numbers of wage-earners.

In this chapter an attempt was made to compare variations in the distribution of manpower as between the principal sectors of the economy in the three European countries and the United States. In the latter there has been a fall in employment over the last decade in five sectors out of the eight which were investigated, whereas in France and Italy only agriculture and mining have experienced a reduction. The Federal Republic of Germany comes between the United States and its European neighbours.

Allowing for the difficulties inherent in international comparisons, it would not appear that inter-sectoral mobility is higher in the United States than in the European countries.

Chapter 3 - Inter-Firm Mobility

In the United States between 1955 and 1962, there was almost no change in the rate of inter-firm mobility except that voluntary departures fell slightly and involuntary departures increased slightly. When the level of unemployment rises (i.e. in recessions) voluntary departures decline, but these are merely moderate fluctuations in a horizontal trend.

In Western Germany, the level of unemployment has shown a steady decline - in 1959 it still amounted to 2.4 per cent. of the wage-earning labour force but by 1961 had fallen to 0.8 per cent. These two dates are quoted because detailed information is available about turnover rates between 1959 and 1961. There has been a steady decline in turnover in almost all sectors and regions. This can be accounted for partly by the fall in the number of school leavers (juveniles being traditionally much more mobile than adults), partly by the increase in the number of workers employed by big firms (where turnover is lower than in small businesses), and partly by the cutting off of the flow of refugees from the East (who were unstable during their first years in the Federal Republic).

In France "stability coefficients" are periodically calculated, i.e. the inverse of inter-firm mobility rates. As in the United States, it is found that workers' stability improves at times when economic growth slows down and jobs are harder to find.

The statistics available for Italy show a continuous, rapid increase in turnover rates in recent years (1958-62), contrary to what was noted in the case of Western Germany. In Italy voluntary departures have shown a steady increase; this is partly due to the economic boom during those years (although the same causes did not have the same effect in Germany) but, above all, to the rapid change in the economic, social and mental characteristics of the Italian labour force. In other words, the Italians now behave in the same way as wage earners in other industrial countries. In 1963 and 1964, when the economic situation was not so favourable, turnover, especially the voluntary departure rate, fell significantly.

In Sweden, as in the United States and France, turnover was influenced by conditions peculiar to the national labour market. It increased slightly between 1959 and 1963 owing to the reduction and virtual disappearance of unemployment, the rise in the proportion of young workers and the growing importance of sectors in which mobility is greater (commerce) at the expense of sectors where mobility is traditionally low (decline of mining).

In all, the economic situation appears to have had a preponderant effect in France, Sweden and the United States, whereas structural changes heavily influenced turnover rates in Italy (a marked increase) and Germany (a marked decrease). The rates themselves are similar in Germany and the United States, with Sweden at the top of the list and Italy and France below the United States and Western Germany.

Part 2: National Policies to Improve the Mobility of Workers

Except in Sweden, measures by governments to improve the geographical and inter-sector mobility of workers have been of limited importance (except for the resettlement of refugees from the East in Germany and from Algeria in France). The existence of full employment, not to say the highest possible level of employment, probably accounts for this, since no country has felt it urgently necessary to take large-scale action. Nevertheless, a number of prominent figures have progressively brought their influence to bear upon Western European governments and there is now a growing awareness of the need for an active labour market policy.

France. Since 1945, the employment service has made efforts to make the labour market more "transparent", and in 1954 legislation was passed permitting allowances to be paid to workers who took courses at adult vocational training centres. The pressure of events led to the passing of more comprehensive legislation, for in 1962-63 the non-agricultural labour force was suddenly swollen by 940,000 people of whom 300,000 were repatriated from North Africa, while the remainder were accounted for by the halving of the length of military service and the influx of foreign workers (especially Spaniards, Portuguese and indigenous North Africans).

The repatriated workers were efficiently resettled after an initial period of some confusion due to the fact that the Government was not expecting such an influx. Subsistence allowances were paid, fares and transport charges for furniture were refunded and resettlement loans were made available; lastly - and above all - a national employment office was set up in Marseilles to centralise job applications and announcements of vacancies. Taken as a whole, the administrative cost of the scheme was slight in relation to the benefits obtained.

This experience led the Government to set up a new agency in 1964, known as the National Employment Fund, to help match job applications and vacancies more closely in each region and branch of the economy. Under this scheme, an allowance, which is often higher than three-quarters of total previous earnings, is now payable for several months to adult workers who care to take a course of retraining. Geographical mobility is also encouraged by a generous system of grants. It is too soon, however, to be able to assess the effect of the Fund's activities.

Italy. The extraordinary expansion of the Italian economy has to some extent been assisted by the great spontaneous mobility of the workers and their quick adjustment to modern production techniques. Italian legislation on the subject is still in an embryonic state, but a number of additional measures are due to be adopted soon as part of a coherent scheme; the Ministry of Labour has, since the end of the war, had an excellent base on which to build in the shape of the local, provincial and regional placement offices.

Federal Republic of Germany. Employment policy was particularly active during the decade 1950-1960 when the refugees had to be resettled. Nowadays, the main emphasis is laid on industrial decentralisation (to reduce the need for workers to move from one region to another) and vocational training for the young; the latter question is mainly the responsibility of the Federal Placement and Unemployment Insurance Office, an autonomous tripartite body operating under the auspices of the Ministry of Labour.

Sweden. This country affords the best illustration of what can be done to improve labour mobility. The policy of the tripartite National Labour Market Board in its dealings with the national and local public authorities is to encourage geographical movements (from the north, which is difficult to develop, towards other areas) and occupational mobility by means of a comprehensive system of resettlement grants, allowances for adults who undertake retraining (1 per cent. of the wage-earning population passes through adult vocational training centres every year), loans, etc.

International Policies. This last chapter of the section on policies describes the measures adopted by the E.C.S.C. and the E.E.C., as well as the Convention on equality of treatment adopted by the 46th Session of the International Labour Conference. Both within the Community (the "Six"), and on an even larger scale, efforts are being made with success to improve the arrangements for receiving foreign workers, assisting their legal, economic and psychological assimilation and providing them with the training they need.

It will be noted, however, that now that Italy only exports very small numbers of workers to other countries of the Common Market, it is likely that Community schemes will in future be limited in scope.

Part 3: Review of the Main Factors which can affect Mobility

Section 1: Factors Affecting Geographical Mobility

(1) Regional Wage Differentials. Making allowances for the difficulty of comparing wages in different regions, a fairly clear correlation was nevertheless established between the high wage areas and the areas attracting manpower in four countries, viz. the United States, France, Western Germany and Italy.

(2) Regional Differences in Unemployment. In Europe, the only developed country in which unemployment still exists is Italy. Taking this country (1954-62) and Germany in 1952, it is apparent that internal migrations were from areas of unemployment to areas of full employment or of less unemployment. The statistics confirm this quite clearly.

(3) Housing. It is obvious that the availability of working-class housing attracts workers and that mobility is hampered both by a shortage of low-rent housing (Europe) and by prior ownership of housing (United States). A comparison between the United States, Western Germany, France and Italy shows a clear relationship between the number of houses built every year (per head of the population) and the degree of geographical mobility.

(4) Trade Union Attitudes. In the past, unions have shown some opposition to the idea of geographical mobility, and by and large they still tend to favour moving industries to areas with labour surpluses rather than moving the workers to the jobs. Many unions, including notably the Swedish and Italian unions, have displayed growing recognition of the need for manpower movements while, of course, insisting that migrant workers should be fairly compensated.

Section 2: Factors Affecting Inter-Sectoral and Inter-Firm Mobility

This section deals mainly with the arrangements for keeping young and adult workers informed (especially placement and vocational guidance offices) and with facilities for workers to adapt themselves to new production techniques. Generally speaking, better information facilities lead to a more evenly balanced labour market by making it less subdivided and more homogeneous (whether nationally or internationally), and so increase inter-sectoral, occupational and inter-firm mobility. Greater facilities for workers to adapt their skills to changing requirements enables them to qualify for jobs elsewhere but also for other jobs (often involving promotion) within the same firm, and in this respect reduces the tendency to change employers. This aspect was brought out clearly in a number of the plant case studies in the appendix to this report.

Despite the many investigations into labour mobility in the industrialised countries of the west, the authors of the present inquiry believe that no equally comprehensive survey has previously been made. The novelty lies not in the method employed, which is very conventional since it is based on study of regular statistics, laws and regulations, supplemented by interviews, but in the international comparisons that are made. By and large, it is found that the United States' economy has to some extent lost its distinctive character compared with the European countries; in many cases, manpower movements seem to be of the same type and to differ only in scale from one country or one period to another.

A number of differences will, however, be noted:

(1) Even though geographical mobility has been considerable in Western Europe, the fact remains that political causes have been decisive (in Germany (F.R.) and later in France); in other words, if we confine ourselves to the more immediately economic causes, mobility would appear - other things being equal - to be still considerably higher in the United States.

(2) Inter-sectoral mobility is comparable on the two sides of the Atlantic, but the consequences of changes in patterns of employment are not exactly the same. Over the past 15 years, economic growth rates have been so high in Europe (over 7 per cent. per year in Western Germany, 6 per cent. in Italy and 4.5 per cent. in France) that the social consequences of structural changes, such as unemployment and the need for retraining, have never attained substantial proportions[1]; generally speaking, few sectors or areas have suffered an absolute decline. The situation has been different in the United States, where the average growth of the G.N.P. has not exceeded 3 per cent. at a time when technological change has been rapid.

(3) Lastly, as regards inter-firm mobility, it is noteworthy that mobility rates have been remarkably stable in the United States while varying widely in Europe, for reasons which are sometimes due to the economic situation and sometimes to changes in social or mental attitudes.

The authors of this report have endeavoured to assemble as much information as possible in the fairly short time available to them. They do not claim to have answered all the questions which will occur to the reader; but they hope that their work will lead to further research into this complex field of geographical, occupational, inter-sector and inter-firm mobility by workers in the highly industrialised countries.

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[1] This is not to say that serious problems have not been encountered in some industries and regions.

APPENDIX

TWELVE CASE STUDIES

APPENDIX

Case Studies

This report has been based essentially, as has been seen, upon statistical, legislative and administrative documentation related to national economies as a whole. However, in the third part (attempted recapitulation of the principal factors which may affect mobility) reference has been made to certain case studies. It seemed useful to study particular examples at the level of the undertaking of general movements of workers (geographical, occupational and from one firm to another), to evaluate the various degrees of difficulty in the adjustment of the workers concerned and to obtain some insight into the manner in which these problems present themselves to managements. Accordingly, a number of plant visits were carried out in the course of which managements, trade union representatives and a number of individual workers were interviewed. Five plant case studies from France, five from Western Germany and two from Italy are written up in the following pages.

The case studies are put into an appendix because, even if very numerous, they could not be other than a series of illustrations; no significant sampling could have been carried out, on the one hand, because of the extraordinary complexity of the industrial structure of the selected countries (the many branches of industry, the widely varying influences of economic and financial factors according to size, turnover, profits, employment, growth rate, etc.) and on the other hand because the choice of firms could not depend entirely upon ourselves but rather upon the managements which were approached and upon the employers' confederations.

This is the place to offer very sincere thanks to all those who have been good enough to facilitate our research. We knew that, especially in recent years, the methods of questionnaires and interviews have been constantly used by governmental and international organisations and by trade associations (not to mention the sociologists and industrial economists); we therefore ran the risk of encountering a certain lassitude or indifference. The 12 studies which we are putting forward here fortunately show that our fears were not fully justified. For each of these cases we have attempted to indicate the firm's place in its branch and/or the region, stressing of course the problems posed by the mobility of labour.

Usually a questionnaire was sent to the firm, and the interview was requested after a reply to the questions had been obtained.

CASE STUDIES FROM FRANCE

A SCIENTIFIC INSTRUMENTS FACTORY IN PARIS

The M. establishment forms part of a company making electrical, electronic and scientific instruments. The company has seven works specialising in various forms of manufacture. The establishment under consideration comprises the headquarters factory and a new electronic centre near by: it is to this combination that the employment statistics will relate. It manufactures measuring instruments, equipment for relays and telecommunications, and electronic equipment, mainly for industry and public corporations. The establishment was founded in the last quarter of the nineteenth century and now occupies a large area in the south of the Paris agglomeration with no room for expansion. The works is equipped with 2,500 machine tools and a tool shop. The needs for development have entailed, apart from the creation of the electronic centre, the decentralisation in 1962 of some of the operations to a new plant in a university town of about 75,000 inhabitants, 250 km. from Paris.

The branches of industry with which the various departments of the company are connected have been expanding during the last ten years, but fluctuations and distortions have occurred from one year and one branch to another, because recourse to the firm is linked to the level of investments of private and nationalised industry and of public bodies. Moreover, a considerable part of the production is exported. The output of one of the most important items of equipment made by the company evolved as follows from 1954 to 1962 (index 100 in 1954).

1954	1955	1956	1957	1958	1959	1960	1961	1962
100	125	126	143	123	133	146	121	124.5

1957 and 1960 were peak years; the lowest levels were reached in 1958 and 1961. These fluctuations have been due to variations in foreign orders, the vicissitudes of trade with Algeria, orders at home and - especially as regards the last - on need to meet delivery dates set by the public bodies, or on variations in credits assigned for the purchase of certain goods.

Lastly, the output of traditional equipment, which is increasingly manufactured on the spot by former importing countries, is falling off and giving way to more complex production (this fairly general development was found also in a German textile mill).

Imposed fluctuations in production, difficulties of expansion in the particular place, specialisation of the M. works on complex manufactures, such are the features which explain the changes in the level and structure of employment.

1. Level and Structure of Employment

Changes in the employment level have been accompanied by big changes in its structure. However, these must not be attributed solely to the development of production in general but also - and probably more so - to decentralisation and specialisation in the manufacture of certain more complex equipment. Moreover the establishment includes the headquarters of the undertaking.

The total number employed (factory, electronic centre, headquarters) increased slightly between 1956 and 1963 (by 5.8 per cent.) but the number of wage earners fell by nearly 9 per cent. Amongst the latter the proportion of unskilled dropped from 69 per cent. in 1956 to 53 per cent. in 1963. The proportion of the most highly skilled classes (P3 and master craftsmen) increased during the same period from 3 to 10 per cent.

There was also a big increase in technicians and draughtsmen - from 520 to 910, i.e. +75 per cent. - whereas the salaried employees and foremen increased by only 10 per cent. The number of engineers and management rose from 290 to 450, i.e. by 53 per cent.

These changes clearly reveal the growing complexity of actual manufacture and of preparation of work for it.

The chart, on a semi-logarithmic scale, shows the increase in total employment since 1958 and the very different proportions taken by the various elements which make up the whole.

Composition by sex has varied little among wage earners (32 per cent. women in 1958, 33 per cent. in 1963), but more amongst salaried personnel[1] (41 per cent. in 1958; 30.2 per cent. in 1963). This last development shows the increase in the number of draughtsmen and technicians who are generally recruited among men. It appears from the employment statistics that from 1957, the year of minimum employment, to 1963 net engagements must have involved about 400 skilled workers, 200 of whom had the highest qualifications, 400 technicians and draughtsmen, and 160 engineers and management.

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[1] Including technicians, draughtsmen, foremen.

This obvious need for labour no doubt helped to raise the wages of the most highly skilled workers in comparison with the others and especially the unskilled workers[1]: the over-all average hourly wages of the latter increased from 1958 to 1963 by 39 per cent. as against 43 per cent. for the "others". However, the same trend appears throughout.

2. Labour Supply and Turnover

In spite of the relatively large proportion of unskilled (53 per cent. in 1963), the average level of skill of the manual workers is still no doubt over-estimated, for some skilled men in the first two categories (P1, P2) do jobs for which the young workers can be trained "in three or four months", such as that of fitter, although the apprenticeship at the centre lasts for three years. In fact, the turnover of wage earners at the works attains a level resembling that of unskilled workers.

Annual Turnover Rate by Categories
(Voluntary Separations up to 31 December
of each year)

	1958	1959	1960	1961	1962	1963
Wage earners (men, women)	23.5	25.5	27.5	27	28	27.5
Salaried personnel	10	12	13	8	9.5	11.5
Engineers	10	5.8	7	5.7	4.4	3.1
Total	18.2	19.7	20.5	18.2	22	19.3
"Siemens" wage earners (men, women)	16	17.8	23	24.2	23	23

The above table enables the turnover rates for the various categories to be compared. We have added the turnover rates for wage earners (men and women) in the German firm with comparable operations, although it is more diversified and includes a very much larger workforce spread over numerous establishments. The turnover rates (wage earners) in the French factory rise less quickly during the period than those of the German firm, but they start at the point reached by the German firm at the end of the period. The annual variations in employment in the

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[1] Known as "semi-skilled (spécialisés) first grade".

French establishment are also very much smaller than those of the German firm (they are about 2-3 per cent. at the end of the period): this increases the significance of the turnover rates as regards the competition exerted on the firm by its environment. This environment, the Paris region, or in any case the south, naturally offers numerous openings for employment. Moreover, quite near the establishment there is a large engineering works with diversified production: this serves as a big "labour exchange factor". However, the high rates for engineers at the beginning of the period and for "salaried" personnel throughout it, should be noted. In the case of engineers the employment figure fell by 8 per cent. in 1958, since when it has constantly increased.

Another picture of the supply of labour for this undertaking is provided by the statistics of the employment services for May 1964. They make it possible to state exactly the number of jobs offered and applied for during that month in the various categories, as well as the actual numbers of engagement as compared with the applications. Here it should be stated that the undertaking publishes its offers of employment in the small advertisements of the two biggest Paris newspapers. The following table gives by trades the labour needs of the various departments (1), the separations (2), the applications (3), and the engagements (4). The last two columns give an "availability rate" - the relation between the requests by departments and the applications (5) and a "fitness rate" (6) - the relation between the applications received and the engagements.

A general remark must be made in regard to the figures used in this table. The departments, when formulating their requests (col. 1) to the personnel office, do not state their manpower needs exactly but no doubt increase them, at least in certain cases, with a view to making sure of getting the workers they seek. The personnel management, at least, has no great illusions on this point. Consequently the fitness rates (the relation between applications and engagements) are probably underestimated, because the persons responsible for hiring presumably bear in mind that the departments step up their demands.

It seems that the scarcest occupations (lowest availability rates) are women salaried employees, wirers, and electro-technicians. In our conversations, however, no reference was made to the first case, but the other two were mentioned several times, especially the wirers: "When the department asks for wirers it can only be provided with half of what it requests", but the head of personnel added "It is true that if we gave them all they asked they would no doubt find it very awkward". It is in these three categories, in which the availability is lowest, that the fitness rates are highest, leaving aside the mechanics. It may be thought that in view of the real scarcity of wirers and electro-technicians, the employment service applies less strict criteria of selection, because the necessarily recent training of these workers presumably results in smaller differences of skill between the individuals.

Needs and Engagements, May 1964

	(1) Requests by Departments	(2) Voluntary Separations	(3) Applications for work	(4) Engagements	(5) Availability Rate	(6) Fitness Rate
Unskilled workers		6	26	11		0.42
Semi-skilled workers - men	41	18	131	22	3.6	0.17
Semi-skilled workers - women	23	19	82	21	3.5	0.25
Salaried employees - men	6	5	39	3	6.5	0.08
Salaried employees - women	34	11	25	14	0.73	0.58
Wirers	21	4	11	6	0.5	0.55
Electro-technicians	19	13	14	8	0.73	0.57
Draughtsmen	11	2	14	1	1.2	0.07
Mechanics	4	3	11	8	2.8	0.73
Aggregate	159	81	353	94	2.2	0.26

The highest availability rates (the least rare occupations) relate to the semi-skilled workers, men and women, mechanics and male salaried employees. The lowest fitness rates are found among the semi-skilled (men and women) and among the draughtsmen and mechanics.

Accordingly, it seems to follow from the above table that an actual scarcity of labour is encountered in a very small number of trades (in this case, wirers and electricians) but that on the whole the supply of labour is abundant and largely makes up for the turnover (the applications are more than twice as numerous as the requests from the departments, and more than three times as numerous as the voluntary separations).

As for draughtsmen, our attention was drawn to the importance, in Paris, of employment offices. These are able to provide good technicians at a moment's notice to undertakings which need them for a certain time, but they also seem to immobilise part of the labour supply because we were told that "when one of these firms ceased to operate it released a hundred draughtsmen". The low rates of engagements ("fitness") for draughtsmen in the table is perhaps a consequence of the possibility of temporary hiring which exists for this category, where "availability" is relatively good.

3. Occupational Mobility

In this undertaking we were able to see in the personnel files the occupational origin of the workers in three particular cases - the assemblers (women), the assembler-wirers (men and women) and the transformer assemblers (men and women). In the first case, out of 50 women assemblers, 16 (32 per cent.) had worked at another trade or had followed an apprenticeship to a job different from that at which they were employed:

apprenticeship certificate as dressmaker	10
apprenticeship certificate as housekeeper	4
apprenticeship certificate as typist	1
certificate as health assistant	1

In the second case, out of 200 assembler-wirers (men and women), 12 men had an apprenticeship certificate or had begun a course of training unrelated to the job they were doing (carpenters, agriculture, tailors, railway school etc.) eight were women in the same position (dressmaking, housekeeping, typing (one case)), and seven men had an apprenticeship certificate more or less related to the job at which they were working (fitters, electricity). Thus 10 per cent. of the workers had changed their occupation. The others had entered the works without any apprenticeship or technical training at all.

In the third case, out of 70 workers (assembly of transformers) 10 per cent. had received previous training which was quite foreign to their present job (book-keeping, butchery, building, etc.).

These examples show that because of the low qualifications required and the chances of rapid adjustment offered by the industry in question, many changes of occupation are possible and are in fact achieved.

4. Employment and Training Policies

The technical changes which continually arise in the undertaking necessitate an effort to train and adjust the work force. In 1963, for the whole of its wage-earning personnel (about 6,000) the company's initial and advanced training centre received 350 workers, especially for fitting and wiring. It had likewise given initial or further training to 70 draughtsmen and foremen (for the latter, the course was in fitness to supervise). As regards wage earners, retraining was given to 120 persons, apprenticeship to 50, "young workers'" training to 60, and "accelerated" training to 120.

The other means of training used are "advancement" (promotion sociale) (cf. III, 1, 6) (first, second and third levels); and an inter-firm school for the training of engineers (full time).

Supervisors are sent for training to the "Ecole Centrale" in Paris; the Electricity High School, and the technical schools. Emphasis was placed on the excellent training given in the technical high schools (national occupational schools), though attention was drawn to the insufficiency of modern equipment, due to the inadequate supply of recent machines for these institutions (a machine costing 15,000 francs is out of date in three years).

The "F.P.A." (vocational training for adults, Cf. III, 1, 5-6) is likewise considered to be very effective.

But the bulk of the engagements in the works are young persons of 16 to 17 who have given up their studies or their apprenticeship. In a year they learn a "semi-skilled" task on the job. They are given a fitter's basic training in three or four months.

According to the personnel management the present manpower services are inadequate, in spite of the help which they give. The National Employment Fund (cf. III, 1-13) is a new achievement of importance, but it is necessary also to improve the housing policy and to facilitate the migration of labour by granting substantial financial assistance towards removal and resettlement. On the other hand, there was talk of the "failure of vocational training".

Although the high turnover of personnel produces a certain amount of inconvenience, especially in the case of the skilled workers, it has made it possible to face the reductions in the personnel with low skills.

When decentralisation was taking place it was possible to avoid collective dismissals for economic or technological reasons. It was enough for the redundancy to be foreseen for 6 to 12 months. The solutions adopted to meet a reduction in employment are as follows:

cessation of engagements in the class where the surplus is occurring;

resettlement of the redundant personnel in other sectors;

on-the-job or accelerated training to facilitate resettlement;

recognition by the Social Security Scheme, in particular cases, of an invalidity which enables retirement to take place at 60 instead of 65.

Hours of work, which have been practically stable since 1959, have not been reduced to palliate the decrease in the need for manpower. The integration of non-metropolitan personnel, especially North African, into the undertaking is regarded as difficult. There is, however, a small nucleus of North African workers who are semi-skilled or skilled in certain jobs. In a general way, according to the personnel management, the housing conditions in the Paris region are the main obstacle to the introduction of foreign labour. The undertaking itself does not carry out any housing policy.

5. Decentralisation, Geographical Mobility and Local Supply of Labour

The construction of a new factory 250 km. from Paris for certain operations previously carried on in Paris made it necessary to move skilled personnel and supervisors. The new factory employs 500 persons, of whom 300 came from the locality; for 300 vacancies announced 800 applications were received. It is true that the wages offered were higher than the local rates for similar work.

In the Paris factory there were only 5 per cent. of refusals among the skilled and supervisory personnel to whom the transfer was suggested. Resettlement was then generally possible. On the whole, readiness to be transferred gradually increased as favourable news was received about the new installation.

In this case the company provided credit facilities for housing construction. Moreover, the municipality offered opportunities for housing at moderate rents. Lastly, the town has a university. There was some disappointment because the area was not very lively[1], but on the whole, this was a successful but limited instance of voluntary removal.

Conclusion

The following remarks arise out of the case under consideration:

(1) In a large urban area, a factory whose operations demand a relatively low level of skill has a very high rate of turnover, especially among personnel with low skills. The general level of wages is probably not without influence on this situation, the more so since the human atmosphere seems to be excellent.

(2) The high turnover does not necessarily mean that the need for labour is difficult to satisy on the whole. Here, generally speaking, except in two cases (wirers and electro-technicians) applications for jobs are much in excess of the number offered.

(3) The requests of departments for personnel in a situation of high turnover, and where fluctuations in production are frequent, may sometimes exaggerate the real needs.

(4) In any case, the needs are not such that the firm has been obliged, as is often the case in Germany, to provide housing for the workers. However, the undertaking considers that the housing difficulties are the main obstacle to greater mobility.

(5) The training of the personnel, in the firm and outside, is an important means for adapting the supply of labour to the demand.

(6) The policy of voluntary geographical movement of skilled personnel, worked out sufficiently in advance, and linked with housing guarantees, gave good results.

(7) A high turnover provides a simple means of facing reductions in employment of relatively unskilled personnel.

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[1] The Administrative District (Département) has only ten undertakings with more than 200 workers.

A WOOL-COMBING ESTABLISHMENT

Description of the Establishment

(a) Situation of the Trade

In Europe, France comes second (after Great Britain) as regards wool-combing. Almost the whole of this industry (97 per cent.) is carried on in the northern area. During 1962 there was some concentration - to the advantage of large undertakings, which absorbed the equipment and part of the personnel of small undertakings that closed down. "The development of the Common Market necessitates the concentration of means of production in undertakings of European and even international dimensions, in order to meet the competition of large units installed in Belgium, Germany and Holland" (statement made by the managing director on 1 September 1964).

(b) The Establishment

The establishment under consideration belongs to one of these large undertakings. The movement of the production index since 1959 shows its growing place in the French combed wool industry: with an output of 25,000 tons in 1963 it accounts for 24 per cent. of the total. It is one specialised branch of a joint-stock company (capital 19,200,000 N.F.) which manufactures combed wool to order and has several establishments in the north of France and subsidiaries abroad, particularly at the Cape and in the U.S.A.

The establishment in question treats the raw wool received from the principal world markets. This combed wool is later to be used in the manufacture of yarn for cloth, hosiery and haberdashery; in 1962 a synthetic fibre section was set up. It is an integrated establishment, which repairs and maintains its machines and even constructs some of them.

1. Employment

A. Production and Employment

Although the regional figures for personnel in wool-combing establishments fell by 11.5 per cent. (from 9,600 to 8,000) between 1959 and 1963, the workforce of this establishment rose by 17 per cent. (from 2,272 to 2,665) in the same period. Production increased by 24.7 per cent. There has thus been an increase in production, personnel and productivity.

This result has been achieved:

(a) By constant technical improvement.

The size and the output of the carders and also the output of the combing machines, have been progressively raised. Working conditions have been regularly improved - air conditioning (temperature and humidity), lighting, etc.

(b) By installing new rooms.

The policy of the undertaking has been, first, to increase the output of the machines and to reduce the number of workers minding them. It began to tackle the problem of productivity from 1958 onwards, when the methods employed were 50 years behind those of foreign competitors (statement by the manager). At present, although improvement is being continued, a fair level of productivity has been reached: for example, the capacity of the beaters, washers and drying rooms has been increased tenfold without any increase of personnel; and a woman worker who operated four combing machines, each producing 5 kg. an hour, now serves eight to ten which each produce 10 kg. an hour.

The workers thus released are not dismissed; new machines are installed for the redundant workers to operate. Moreover, the new machines are more numerous than the workers released by higher productivity could handle, so that under favourable business conditions the personnel is increased. Furthermore, the rise in output and the reduction of personnel per machine have necessitated a more thorough control of production. Hence the appearance of inspectors, chemists and laboratory assistants who carefully analyse the finished product.

B. Structure of the Work Force

(a) Skill

The above partly explains the changes as regards skill: the proportion of foremen in the whole personnel moved from 7.3 per cent. in 1955 and 6.8 per cent. in 1958 to 10.1 per cent. in 1963 (cf. table below). This increase began in 1959 with the introduction of modern methods and productivity procedures. However, the two classes "technicians and foremen, engineers and management" together form a stable percentage of the total personnel.

Development of Personnel Structure by Major Classes in per cent. of the Whole

Category / Year	(1) Wage Earners	(2) Salaried Employees	(3) Technicians and Foremen	(4) Engineers and Management	3 + 4
1955	85	4.5	7.3	3.2	10.5
1956	86	3.5	7.5	3	10.5
1957	86	3.3	7.5	3.2	10.7
1958	86.5	3.5	6.8	3.2	10
1959	86.5	3.9	8.7	0.9	9.6
1960	85.5	4.3	9.1	1.1	10.2
1961	84.5	4.5	9.9	1.1	11
1962	85	3.9	9.4	1.7	11.1
1963	85	3.8	10.1	1.1	10.2

As for the wage earners, the distribution according to the Parodi scale[1] hardly varied from 1961 to 1964, the majority being in the grades with coefficients 115 and 120: the proportion of the most highly skilled (in the heavy machine shop) decreased.

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[1] i.e. the classification established by the Minister of Labour soon after the liberation of France (until February 1950 the Government strictly controlled wages). The scale provided for two classes of labourers - "ordinary" and "part-skilled" (manoeuvres specialisés), three classes of semi-skilled operatives (ouvriers specialisés or OS) - i.e. those who had not had vocational training - and three classes of skilled operatives (ouvriers qualifiés or professionnels - OP). For each class there was a wage coefficient based on 100 for the ordinary labourer.

Operatives' Skill Structure 1961-64
(per cent. of all operatives)

Wage Coefficient	1961		1964	
110	9.0)		6.6)	
115	29.5)	57	35.0)	64.6
120	18.5)		23.0)	
125	4.5)		2.5)	
130	4.5)		2.2)	
135	3.0)	18.5	4)	12.5
140	2.0)		0.4)	
145	3.5)		2.4)	
152	1.0)		1)	
159	23.0)		18.2)	
166	23.0)		0.4)	
173	1.5)	24.5	3.7)	22.9
180	1.5)		0.6)	
		100		100

But this is a theoretical classification for wage purposes which, according to the employer, does not correspond to the real skill.

The manager of the establishment says: "The skill of the personnel is increasing. We have been tending in recent years to reduce the heavy jobs, the jobs which call for men of powerful physique. This work is now done by machines and in consequence there is a need for a more intelligent personnel to look after the machinery, which is often electronic." However, according to the wage structure, there has been a relative increase in the lower grades.

(b) Women

Women accounted for nearly 19 per cent. of all wage earners in 1955 and only 17 per cent. in 1963. The manager explains that a few years ago the number of women on the day shift in the carding rooms proper was roughly equal to that of the men, but that now the tendency is to turn "largely" to men. There will thus be a trend in the next few years towards a reduction in the number of women.

(c) Young Workers

In 1964 the establishment employed 272 wage earners (either sex) under 25 years old: in 1961 it employed 217, or near enough the same proportion. However, the present policy of the undertaking is to call on young workers so as to redress the age balance. It has been somewhat hindered so far by military service, but the shortening of this will facilitate recruitment.

Previously the old personnel from the frontier regions was considered the best, because they worked willingly and were capable of great physical effort. But it has been found that young workers - some of them from the mines - although less robust, are more intelligent and adaptable.

Accordingly, the number of engagements of workers under 25 rose from 116 in 1960 to 137 in 1961, 264 in 1962 and 435 in 1963. However, taking annual engagements as a whole, the percentage of workers under 25 has remained relatively stable 27.3, 32.4, 27.4 and 32 per cent. respectively in the years 1960-63. According to the management, appeals to the young, in particular since 1962, by propaganda in the schools have not had the result expected.

(d) Foreigners

The table given below shows that the proportion of Belgians from the frontier regions has fallen since 1957 and that the rate of reduction is growing. That of "other foreigners" has fallen slightly, while that of North Africans has regularly increased since 1959, particularly after the end of the war in Algeria. Percentage distribution of foreigners (other than frontier workers and North Africans) by nationality at the beginning of 1964 was as follows: Poles 51 per cent., Italians 20 per cent., Spaniards 23.5 per cent., others 5.5 per cent.

Foreigners Employed - 1955-1963
(per cent. of the total number of wage earners)

Year	North Africans 1	Other Foreigners 2	1 + 2	Frontier Workers	French
1955	10	21.5	31.5	20.5	48
1956	10.5	18	28.5	26.5	45
1957	6	18	24	32	44
1958	5	17.5	22.5	31	46.5
1959	6.5	17	23.5	31	45.5
1960	7.5	16.5	23.5	31	45.5
1961	8.8	17	25.8 (5?)	30	44.5 (2?)
1962	11	18	29	29	42
1963	16	16.5	32.5	28	39.5

C. Turnover of Personnel

(a) Turnover Rates

Numbers of separations (1) and of entries (2) in all categories in each year, as per cent. of the average number employed in the year.

	1955	1956	1957	1958	1959	1960	1961	1962	1963
(1)	20.7	29.5	35	10	24	25	23.5	29.5	43.5
(2)	22	34	35	9.5	34	20.7	20	43	55

The rate of separation more than doubled between 1955 and 1963. It was steady in 1959-1960-1961, but rose sharply in 1962-63. The low level in 1958 may be explained by the stopping of engagements at a point in that year: they dropped from 700 in 1957 to 189 in 1958 (713 in 1959). On the other hand, the large numbers of engagements in 1962 and 1963 (950 and 1,369) may explain the high rate of separations in the latter year. Generally speaking, there is of course a relationship between entries and separations, the connection being all the closer when the rates depart from normal. Still, the high average separation rate and its tendency to rise since 1959 should be noted. The main factor in this development, apart from the level of engagements, seems to be the growing competition for manpower encountered by the undertaking.

(b) Causes of separation were as follows:

Causes of Separation 1955-1963
(per 100 separations in year)

Year	Retirement or Death	Discharge	Voluntary Separation
1955	10.7	33.3	56
1956	6.5	27.5	66
1957	6.5	28.5	65
1958	24.5	25.5	50
1959	13	30	57
1960	11.5	26.5	62
1961	13.5	27.5	59
1962	8	27	65
1963	0.5	32.5	67

The high rate of "retirement or death" in 1958 and the low rate in 1963 are due to the very small number of other separations in the former year and the large number in the latter. Whereas the rate of discharge, as a percentage of all separations, is fairly stable, voluntary separations began to increase in 1962.

Here is the manager's explanation: "We discharge very few of our workers; it is not the company's policy. But there is a large mass of unstable personnel consisting almost entirely of Belgian frontier workers and North Africans. In the case of frontier workers, voluntary separations have increased during the last two years for housing reasons, and also because new industries have been opened up in Belgium. One may say that, in a belt of 50 kilometres along the frontier, industries of German, Dutch and even Belgian origin are gradually attracting our personnel, especially the most highly skilled. As for the North Africans, they are not very adaptable (about 10 per cent.) and are particularly unstable; at certain times we note large-scale departures for Algeria, which may be due to home-sickness".

Such a high turnover of labourers, and recently the increased departures of skilled Belgian workers, present problems of recruitment.

2. The Labour Supply

A. Recruitment

Until about 1961 personnel were engaged mostly in Belgium. The heads of the personnel department made a tour of the employment offices in the frontier zone; the necessary labour was directed to the establishment via the French employment offices.

This source has now dried up for the reasons indicated above, and the establishment applies either to the local employment office or to the labour office of the northern mining area: 78 young women (under 25) from the mines were taken on in this way in 1963.

B. Recruitment Difficulties

The difficulties are now serious, particularly as regards skilled personnel.

To an increasing extent the establishment has to turn to foreign labour. But these workers do not adjust easily: Southern Europeans - Italians and particularly Spaniards - do not stay for more than a year or 18 months and leave at the end of their contracts. Apparently they miss the sun, and the northern climate does not suit them. The employment offices suggest practically nothing but North Africans. The establishment has tried to obtain labour from the countryside. However, mostly whole families come forward; but the essential means of settling rural - and foreign - personnel is housing: and the housing problem in the region is far from being solved. The undertaking has some dwellings, but these are generally reserved for supervisors and engineers.

The reduction of personnel in the mines has not caused any appreciable improvement. The establishment has obtained only women workers as a result: the spinning side of the undertaking has therefore opened two branches at Arras and Cambrai, in order to employ the wives of miners on the spot and avoid the inconvenience of travel. A few male workers from the mines have been engaged, but they are men who have retired because of silicosis and only stay in the establishment for four or five years.

The management attempts to recruit young persons under 25 who already have an occupational qualification. The 357 young men engaged in 1963 were for the most part greasers or semi-skilled mechanics for the machine shop. However, the combing industry, as distinct from spinning, does not offer a real career for the young; most of the personnel are part-skilled labourers without any extensive change of training; but with the raising of the school-leaving age, young people want to train in an industry where they can obtain skilled or supervisory posts.

Accordingly the manager of the establishment thinks that he will "always have a more or less backward personnel".

These difficulties, which are inherent in the particular labour market and type of industry, are aggravated by the methods and structure of the official manpower services.

On this subject the manager said:

"As regards the local manpower services, the managers and inspectors, whom we regard as our friends, place themselves at our disposal. But I must make a reservation: the administrative machinery is often very cumbrous and we sometimes lose valuable time - about 15 days - in taking on personnel, whereas the abolition of certain files or certain information procedures would shorten the time. Indeed the local employment office is always obliged to refer to the district office."

The above is all the more important because the time available for meeting the needs of this establishment is "always very short". It is never more than a month, because activity is very much influenced by the trade seasons and the purchase of wool in the countries of origin. The industry therefore has periods of five to six months when there is a slight recession, followed by a sudden spurt which necessitates the recruitment of up to 100 persons at a time.

C. Training

In general the persons referred by the employment office are entirely unskilled. They are put under foremen or charge-hands who watch how they work. The newcomers must adapt themselves quickly, or they are dismissed (usually in a fortnight).

For very young workers, intended for highly specialised jobs, there are half-time schools belonging to the employers' association; but the problem is not taken as seriously as in the wool spinning branch, where there is a vocational school in the establishment itself. The formula here, in nearly every case, is training on the job, and quick training at that.

However, faced with the shortage of skilled personnel the management thinks that it will have to set up apprenticeship schools, or at least to give courses on the job for young workers, so that they may acquire some real skill under experienced instructors.

The manager regards the official apprenticeship services as deficient; wool-combing is treated as a "poor relation".

Lastly, the trade unions and their representatives on the works committee are only rather remotely interested in manpower questions, except when discharges take place.

CONCLUSIONS

1. The establishment's employment requirements, sometimes of short duration, result in an exceptional rate of turnover (43.5 per cent. in 1963). An increase in personnel is hampered by the emergence, especially over the frontier, of new undertakings paying higher wages.

2. The establishment compensates for this situation by employing increasing numbers of foreigners (including North Africans); this partly explains the increase in the separation rate.

3. The shortage of skilled personnel caused by the departure of frontier workers has given rise to attempts at and plans for training, especially for the young; and also to consideration of the need for a wage increase.

4. The absence of housing accommodation, particularly company housing, makes it difficult to recruit labour from rural areas.

5. Owing to the fluctuations in employment and the absence of immediately available labour in the region, it is felt that official procedures for the recruitment of foreigners should be speeded up.

A MEAT PROCESSING ESTABLISHMENT

Company X is a small industrial undertaking with capital of 750,000 frs. in the suburbs of Montpellier (Southern France) in the heart of a purely agricultural area (viticulture). It transforms meat and abbattoir products into a wide range of processed foods. It was established in its present form as a limited company in 1959, after a small group had purchased the former firm, which was in difficulties.

The personnel does not exceed 120 persons (of whom 20 per cent. are women), the wage earners and salaried employees being about equal in number; there are six supervisors. The average age of the male wage earners is 27, that of the female wage earners 35, that of the salaried employees 40. The trend for the last four years has been towards a younger personnel. The business turnover has increased by 10 to 20 per cent. per annum in money (by 5 to 15 per cent. having regard to the movement of prices) and now stands at about 10 million frs.

The activity is partly seasonal: hours of work are 50 per week in summer and 40 for the remainder of the year. There is systematic recruitment mainly of women, in May-June; recruitment stops altogether from August onwards. In view of the particularly "tough" time-table (starting at 6.00 a.m. and for some at 5.00 a.m.) many of the women wage earners leave in the autumn; this facilitates adjustment of the personnel to seasonal requirements.

The interest of this study resides in the fact that the firm recruits in mainly rural surroundings and has great difficulties as regards skill.

"We have always had difficulty in recruiting skilled labour. As we are the only undertaking of our kind in the region (from Toulouse to Marseille), we have had to recruit on the spot. The workers have had to be trained by skilled personnel recruited in the Lyon area. We would have recruited more skilled labour if we had found it locally." (reply to the questionnaire). Lyon is about 300 km. from Montpellier. The recruitment of a few highly skilled workers from Lyon was possible because the present manager worked for 25 years in the Lyon area, and is known and valued among highly skilled workers there, and also because the transfer of these few indispensable craftsmen brought them an approximate 50 per cent. wage increase.

After an interview with the manager, he summed up his ideas as follows:

"It is undeniable that for many reasons we should like to be able to recruit a higher proportion of skilled labour. However, because of our remoteness from the main curing centres we shall have the greatest difficulties in this direction for a long time to come. We therefore hope to find, in the absence of skilled labour, people who are potential operatives. By this we mean that although they may not have had any training in our trade, they should at least possess qualities of character which will enable them to take a responsible attitude to their occupation: as ever this is indispensable if their introduction is to give rapid and lasting results." The vocational schools are at Paris and Caen; at Lyon and a few other large towns there are courses for a pork butcher's trade certificate. In other words, there is nothing in the Montpellier area.

A final point of interest may be noted: the influx of repatriates from Algeria in 1962 particularly affected the area. The undertaking observes that it served them as a "staging point", above all between April and October 1962: about 30 of these repatriates were taken on and worked from one to six months. There are now only a few of them (less than ten) who give every satisfaction and seem to be permanently attached to the area.

To sum up, the turnover (especially of women) facilitates the firm's employment policy, and the management regards itself as not satisfied by recruitment in surroundings without an industrial working-class tradition. The fact deserved to be noted, the more so as it expresses a rather exceptional attitude, if reference is made to the other case studies.

A COMPANY MAKING PRECISION MACHINERY

1. General

The S. company is situated in an Alpine Department of France, where 48 per cent. of the population were still rural in 1962 (55 per cent. in 1954): the total population increased by 11 per cent. between these two dates. There are 27 establishments with more than 200 workers. The principal town, of great tourist fame, in and near which the S. establishments are located, has 60,000 inhabitants. For the last ten years there has been a demographic and economic expansion of the town and its immediate surroundings. In order to expand, the company has been obliged to open two new factories several kilometres out. Metal turning is a traditional activity in the Department. The number employed in this speciality amounts to 9,500[1] about half the French total, and a third of the total industrial manpower of the Department. The company under consideration specialises in machine parts in particular for the automobile industry.

In general, the industry to which the S. company belongs has been expanding in France in recent years. However, in view of the variety of the clientele, certain sectors have experienced periods of more or less pronounced progress or recession. For example, in the autumn of 1960, automobile production slowed down sharply; sales to this type of customer declined, and the fall had to be made up by sales to other customers (electric motors, domestic appliances, etc.).

Competition causes additional difficulties. On the world scale there is at present a balance between the demand and supply of the firm's products; on the national market there are suppliers from a distance (Japanese, for example) who offer extremely low prices.

2. Employment and its Structure

The company's total work force rose steadily from 2,000 in 1957 to 2,800 in 1964 (figures on 1 January) - i.e. by 40 per cent.

By major classes of personnel the increases between 1957 and 1964 were as follows:

		Per cent.
All wage earners		25.5
including:	unskilled	25.7
	skilled	25
Supervisors and salaried personnel		75
including:	salaried personnel[2]	86
	senior supervisors	49
Total work force		40

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[1] Number given by the Syndicat National du Décolletage (Section de Hte. Savoie) in a letter dated 19 March 1965 to Mr. von Stedingk, Chief of Employers Relations Branch.

[2] Salaried employees, foremen, technicians.

It will be noted that there was more stability among the unskilled than among the skilled wage earners, despite much modernisation and some automation in the undertaking. However, setting jobs have been given to a large number of unskilled operatives and this has raised their wage grade and resulted in a certain amount of promotion within classes. In addition, the subcontracting of tool-making has enabled the company to avoid increasing the demand for skilled workers. The number of supervisors and salaried personnel has increased from 19 to 25 per cent. of the work force, i.e. much more than wage earners and total employment.

The structure of the work force in 1957 and 1964 was as follows (per cent.):

	1957	1964
Unskilled wage earners	58	53
Skilled wage earners	22	21.5
Supervisors and salaried personnel	20	25.5
	100	100

Thus modernisation has enabled the percentage of skilled workers to be kept stable, particularly thanks to subcontracting but has entailed an increase in the percentage of supervisors and salaried personnel. Nevertheless, unskilled wage earners still make up more than half the total number employed.

Despite the large proportion of unskilled, the percentage of women is low (21-22 between 1961 and 1964). This is no doubt because many of the unskilled male workers are of rural origin: labour from the countryside is still abundant in this area. Among the unskilled workers the proportion of women was only 33 per cent. in 1964 and 39 per cent. in 1961. In the last few years the factory has been able to pursue a policy of "masculinisation", but the personnel management thinks that this will be more and more difficult to continue because of the increasing tension on the employment market and also the suitability of certain jobs for women workers (precision inspection).

The age structure of the personnel is stable as a whole, and in most of the classes. However, a certain age increase is noted amongst the skilled workers who are not setters (departures in the ages below the average) and a fall in average age among salaried employees.

One remarkable change has been the increase in the number and percentage of shift workers. Ten years ago it was very difficult to engage people for this kind of work. At present, on the contrary, it is very easy, and in the ten years the number of shift workers has more than doubled (from 400 to 950). They are nearly all men.

The number of foreigners is steady and low. It fell slightly betweeen 1961 and 1964 (from 130 to 120); at the moment there is no foreign labour of recent entry in the factory. On the other hand, employment from fairly distant localities (20 km.) has increased.

These remarks bring us to an analysis of the company's labour supply.

3. Labour Supply and Turnover

It has been seen that the need for skilled workers has increased very little. The machine work is done by personnel without any vocational training, to whom simple setting duties are sometimes entrusted. Formerly, the setters were recruited among the best of the unskilled. Nowadays there is a tendency to prefer that the unskilled workers selected for this should have obtained (cf. III, 1, 6) an official certificate of fitness[1] for a metal trade (fitter, turner, miller).

In default of the above solution, workers are employed who have attended trade training courses but have not obtained the certificate of fitness; or, lastly, unskilled personnel who have not been able to attend a training course.

Young workers, who have been to technical schools and hold the certificate of fitness, are also sometimes directed into training as setters: they are given further instruction and shown the techniques of the factory itself (cf. infra. 4). Thus, to satisfy its need for setters, the only skilled workers whose number is definitely increasing, the company combines selection in the factory and recruitment of young workers.

Technicians are recruited among young persons leaving the technical schools with the diploma of industrial education. They receive further training in the factory.[2]

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[1] The C.A.P. (certificate of vocational fitness) is awarded for success in an apprenticeship examination for a particular trade. It gives the right to the classification known as OP1: skilled operative, first grade.

[2] The diploma of industrial education (B.E.I.) is at a higher level than the C.A.P.

Unskilled labour is recruited for the most part, and to an increasing extent, among rural workers who are - at least partially - leaving the land (about 80 per cent. of new engagements in recent years). This kind of recruitment is very favourable to shift work, indeed rural people look almost exclusively for this kind of work so that they can work on the land for the rest of the time; the changes of shift from week to week (4.00 to 12.30, 12.30 to 21.30) easily allow for this.

The observer is struck by the less pronounced scarcity of labour at this factory than at most of the others that were visited. However, a shortage of skilled labour is felt here too. This is attributed on the one hand to the insufficient public education facilities. F.P.A.[1] only partly makes up for the inadequacy. It is emphasised that "if the national education system could train all the young people who apply to it we should have the necessary skilled labour". On the other hand, the shortage of housing accommodation is described as a brake on geographical mobility.

The shortage of skilled personnel is due, lastly, to the relative industrialisation of the town in the last few years: some establishments have been "decentralised" into the area. However, there are only six other factories with 500 to 600 workers, and two weaving mills have had to close. Moreover, the movement of wages in the area has caused the company to lose the advance which it had over other firms in this sphere.

As regards the supervisory staff and senior salaried employees, on the contrary, the management does not seem to be troubled by any shortage. This is due, it appears, to the touristic character of the town, which attracts many applications. An advertisement for a supervisory post published in some Paris newspapers recently produced 50 applications; and another firm in the town also received 50 for two administrative posts. Spontaneous inquiries are also received. In other words, as regards this class of employees there is a good deal of geographical mobility.

The turnover rates (all separations during the year as per cent. of the total number employed on 31 December, or rather, on 1 January of the following year) are among the lowest found in the factories visited, both for wage earners and for the work force as a whole.

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[1] Cf. III, 1, p.6, F.P.A. = Formation Professionnel des Adultes - (rapid vocational training for adults).

Turnover Rates (Total Separations, as
Per Cent. of Number Employed at End of Year)

	1956	1957	1958	1959	1960	1961	1962	1963
Wage earners	4.1	4.4	2.5	2.8	3	2.9	4.3	5.9
Total work force	3.9	4.7	3.8	4	3.8	3.2	4.5	5.7

The rate for wage earners in particular is remarkably low. It reached its minimum in 1958 and remained very low over the period 1958-61. The rate has risen sharply during the last two years, probably because of the relative increase in wages in other undertakings and to the growing proportion of young workers taken on (67.5 per cent. of those newly engaged in 1963 were under 25, as against 54 per cent. in 1961). These turnover rates are however indicative of the relative "slackness" of the labour market in a rural area and for an industry with a low demand for skilled workers. Nevertheless this "slackness" diminishes as the industry expands.

4. Steps Taken to Improve the Supply

For non-skilled jobs the undertaking readily recruits rural workers, as has been seen. The personnel management notes, however, that from the age of 40 onwards their adjustment to industrial work becomes more and more difficult. There have been cases of a return to the land, even among the young. Adjustment is more difficult in the most automated shops, where the work consists of watching and some statistical control of quality; the boredom or the noise are sometimes reasons for leaving. Adjustment is better in the shops where the work is simpler and more manual. All taken on are given a psychotechnical selection test which results in the elimination of many older candidates, especially among the rural workers.

The problem of the skilled workers, and particularly of the setters, has required further training to be organised, and particularly training "on the job" for young entrants who have attended official vocational courses. Those with the C.A.P. are put into a special section for adjustment and further training (one year); an apprenticeship section has been set up to prepare 15 young workers for the C.A.P. in metal work; holders of the B.E.I. receive further training in a special section (one year) followed by training "on the job" as setters (one year); refresher courses are given for technicians already with the company, using

B.T.E.[1] material; internal refresher courses for the above classes are planned; and foremen are sent for spells of training at regional institutions. The Promotion Sociale elementary course for the town is carried out in the apprenticeship section of the factory. In 1963-64 it had an attendance of 165, about half of whom were unskilled workers from the undertaking. General complementary training is provided by the teachers of the public educational institutions who carry out the centre's course in the undertaking.

The undertaking's work force has regularly increased, and it has never had to resort to collective discharge. Whenever workers have been made redundant for technological reasons or because of reorganisation, it has been possible to resettle the workers in the undertaking (blacksmiths regraded as unskilled or as setters); their wages have been maintained but the special bonuses (arduous work, etc.) have been discontinued.

CONCLUSION

The case under consideration gives rise to the following remarks:

(1) Despite the relative abundance of ordinary labour and the small number of skilled workers employed, there is always relative scarcity in the latter class. It might almost be said that "skilled" = "rare".

(2) The further training, in the factory, of the best unskilled workers is an important source of skilled labour, but it is insufficient. The lack of public facilities for training seems to be the main cause of the scarcity of skilled personnel.

(3) In this case modernisation and automation have not caused any big change in employment or increased demand for skill. But the number of technical staff has increased.

(4) In this case practically no use is made of foreign (including North African) labour. The supply of rural manpower is far from exhausted.

(5) The small extent of the employment market and its low diversification produce turnover rates far below the average.

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[1] B.T.E. = Bureau des temps elementaires - a time and motion study institution.

A COMPANY MAKING METAL FURNITURE[*]

This is a small undertaking founded in 1897, which became a limited company in 1919. It manufactures metal furniture, mainly for institutions (hospitals, clinics, rest homes, holiday camps). For the last ten years the growth in its turnover has been steady (about 10 per cent. per annum in real values), but the distributed profits have been low - or nil - because a large proportion has been ploughed back.

The numbers employed, by classes, are shown in the following table (men and women).

Class	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
Labourers	48	55	61	64	72	87	85	80	98	77	74	66
Semi-skilled	31	30	39	44	54	48	54	50	51	42	48	46
Skilled	14	16	16	17	18	16	14	17	21	30	27	24

Altogether, as may be seen, the growth in the number of jobs has been moderate: 93 in 1953 and 136 in 1964. The figure for the clerical and supervisory staffs has fallen (about ten in all). Technical progress, while permitting a reduction in the number of workers per shop, has been accompanied by an increase in production and employment.

The employment market has completely changed in Montpellier, where the factory is situated. Until the end of the fifties there was a real plethora of rural labour: the personnel services always had a list of 300 applicants for work; the firm drew on this reservoir after careful selection. Today (1964) there are sometimes hardly more than one or two names on the list. Recruitment has to be carried out with difficulty through advertisements in the local papers. The extreme scarcity of labour is revealed in two other ways:

(1) by a general shift in the skill categories, involving systematic over-classification: ordinary labourers are placed in the semi-skilled class after a few months, and semi-skilled workers are promoted to the skilled class;

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[*] This Company - Société Anonyme des Usines "Rey et Tramblay" has authorised the use of its name.

(2) by a turnover rate which is giving cause for concern, in spite of what has just been said about over-classification; the following table shows the extraordinary increase in turnover.

Workers who Voluntarily Left the Firm

1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
13	3	6	9	32	30	29	26	44	49	54

The building and public works industry, which is expanding fast in the town and area (as in France as a whole) is systematically outbidding others for personnel: labourers are paid 80 per cent. more than in other industries (medium or small undertakings). It is true that building is subject to the hazards of winter, but this is not generally very severe in Southern France. In addition, building jobs offer an immense advantage to North African (Moslem) labourers - a summary lodging in the form of a rough hut or even a basement in the house under construction. This advantage to the building industry is inducing the head of the firm under consideration to envisage having collective lodgings built at the factory for his North African workers (bachelors and others living without their families): there are ten of them at the moment, but this number should be doubled; above all, the ten must be kept. The firm estimates that its additional need for labour (for the next two years) will be 24 workers, including ten labourers and eight semi-skilled. "We feel that foreign workers are at present indispensable in our areas, especially Moslem workers, since their demands with regard to housing are lower and easier to satisfy."

To combat turnover - not ineffectively - seniority bonuses are given: 5 per cent. of wages after five years, 8 per cent. after ten years, 10 per cent. after 15 years. In October 1964, 32 workers were drawing the 5 per cent. bonus, ten the 8 per cent. and 24 the 10 per cent. The firm discourages leaving by strictly refusing to re-employ workers who have left it voluntarily.

Geographical mobility, in the opinion of the general manager, is impeded by the shortage of housing. The town is industrialising ahead of the building of houses, and it is to be feared that the competition between Montpellier and Nîmes (40 km. away) will benefit the latter. The only big addition of labour in recent years has consisted of the repatriates from Algeria: 25,000 of them settled in the town and its surroundings; the Mediterranean climate outweighed the disadvantages of the general housing shortage. On the whole, after many temporary difficulties, the repatriates have adjusted and shown their desire to merge with the community - itself reluctant at first but now completely hospitable. In this particular firm, the manager states that he is delighted at having recruited a few repatriates, and praises their responsibility and willingness to work (the present commercial manager represented the undertaking in Algeria; such cases of readjustment at a high level have been very frequent in the French economy generally).

Workers of rural origin are, of course, unadjusted (in such a short period) to industrial jobs; although vocational adjustment of labourers and semi-skilled workers is not too difficult (it takes 1-3 months to train an ordinary labourer, and 3-6 months to train an average semi-skilled worker on the job), both the area and the firm lack really skilled workers. According to the head of the firm:

> "The training of manual workers in the apprenticeship centres, etc. ... is not sufficiently adapted to local needs. For example, in Montpellier alone they train nearly a hundred fitters, who rarely find jobs on the spot, though there is a lack of sheet-metal workers, welders, painters, ironsmiths, etc. On the national scale there should be resettlement schemes, but always combined with a housing policy; and a better distribution of regional training of semi-skilled workers at the male and female apprenticeship centres."

At an interview this same person agreed that the employers' regional and national organisations should co-operate more actively with the public authorities in counselling young workers after systematically ascertaining the foreseeable needs.

It is natural that training on the job should be used mostly in this undertaking, especially since it is the only one in the area that specialises in metal furniture.

CONCLUSIONS

(1) The local labour market has become very restricted over the years: concealed unemployment in agriculture, though not measured by the statistical services, was still considerable in 1954-56; it greatly facilitated recruitment. At present this reservoir of labour has completely disappeared.

(2) The turnover rate has increased greatly (eight or tenfold in ten years) because of the high wages offered by the building industry, which is expanding very much.

(3) The scarcity of low-rent housing makes it very difficult for French workers to move from other areas. Only the political events (Algeria) have led to substantial permanent immigration.

(4) Vocational adjustment seems easy at the level of straightforward jobs (hence a great desire to recruit Moslem workers); but the shortage of really skilled workers calls for a very great development in the training of juveniles, at the local and regional levels, after careful study of the need for particular skills.

CASE STUDIES FROM WESTERN GERMANY

Two Mining Companies

On 1 July 1959, the mining reorganisation in Germany entailed the separation of the former company into two juridically independent companies which we will call A and B; in fact these two firms continue to belong to the same group; moreover they publish their balance sheets at the same time and in the same document. The two companies likewise publish a single house journal in which employees are informed of the social problems, production results and statistics of employment and wages.

The interest of this linking of the two companies resides in the unity of their economic and social policy, and especially of their personnel policy. Thus, in particular, when pits were closed by either of the companies, workers were resettled in establishments belonging to one or the other.

Accordingly, manpower problems of the employment market and manpower mobility must be discussed in terms of the whole group, consisting of the two companies. However, the inquiry was concerned more especially with the group's most important mine, namely mine L.

1. The Work Force

At the end of 1963 the group was operating three mines with a work force of 5,200, 3,700 and 2,200 respectively. In addition there were the numbers employed at two coking plants (750 and 240) and various groups of wage earners or salaried employees (about 1,250). Altogether, there were a little over 13,400.

In 1953 the group's work force reached its peak (19,500). Until 1958 this figure remained relatively stable (18,800). From 1959 there was a regular decrease, reaching 13,400 in 1963.

	1958	1959	1960	1961	1962	1963
Total work force (surface and underground)	18,804	16,556	15,621	14,852	14,209	13,385
Total production (thousands of tons)	4,800	4,300	4,500	4,600	4,700	4,500
Output underground (kilos)	1,664	1,889	2,114	2,328	2,463	2,581

During the six years 1958-1963 two pits were closed - one in 1959 and the other in 1963. Production fell from 4,800,000 tons in 1958 to 4,300,000 in 1959, afterwards rising to 4,700,000 in 1962 and falling again to 4,560,000 tons in 1963. Daily output underground rose constantly and greatly - by 55 per cent. in six years (1958 to 1963), or about 7.5 per annum on an average during the period. Mechanisation extension of mining in the most productive seams and stopping of the least productive operations explain this great increase in productivity. Daily production in two pits thus amounted in 1962 to 7,617 and 3,292 tons respectively. The pit producing the latter figure closed in 1963. In 1959 another pit belonging juridically to the other company of the group had already been closed.

Between 1 January and 31 December 1963 the employment figure for company A fell from 7,758 to 6,251 workers (-1,507). The "underground" figure alone had fallen drastically - by 1,772 persons - in March 1963 as a consequence of closing a pit. These miners were in part resettled:

(1) in other establishments of Company A (400 miners);

(2) in pits belonging to Company B (900 workers);

(3) in a coking plant belonging to B (44);

(4) in various other jobs with A or B (42).

The remainder had voluntarily left the company after the announcement (nine months beforehand) of the coming closure.

In the same period the employment figures of Company B rose from 6,450 to 7,134 workers (+684) including 340 miners. But actually 1,964 workers were taken on, and 1,426 left. These figures bring us to the problem of mobility.

2. The Structure of the Mining Labour Force

(a) Occupational Structure

The decline in the work force from 1953 to 1963 was accompanied by an important shift in structure. The approximate proportions per 100 underground workers were as follows:

	1953		1963	
Skilled miners	50		17	
Semi-skilled miners	40		50	
Mechanics	10	6	33	17
Electricians		4		16

In 1963 the percentage of mechanics and electricians reached one-third of the underground work force (against 10 per cent. ten years before), and skilled miners accounted for only about one-sixth of the total (as against one-half); but the proportion of semi-skilled miners rose to one-half (40 per cent. in 1953).

During the same period the structure by kind of employment changed as shown below:

	1953	1958	1963
Piece-rate workers	34.1	35.6	38.5
Team workers	29.5	26.6	18.4
Surface workers	22.1	20.9	20.1
Salaried employees	7.6	9.3	11.6
Other workers (coke ovens, etc.)	6.7	7.6	11.4

This table of distribution by type of work or employment shows greater stability than the preceding one. In fact, the size of most of the classes except surface workers has slightly increased, and the only one which has greatly decreased is team workers. The greatest relative increase is seen among workers in the coking and other plants, and among the salaried employees.

(b) Proportion of Foreigners in the Mining Labour Force

Apart from the coking plants and administrative duties, the group's work force consisted of 10,308 workers in 1963. Of this number 14.6 per cent. (1,513) were foreigners, coming from 23 countries, including Yugoslavia, Japan and South Korea. This percentage in the three pits was 15.6 per cent., 16.3 per cent., 10 per cent. respectively. The largest numbers belonged to the following nationalities:

Turkish	768
Greek	245
Yugoslav	159
Japanese	103
Italian	81
Spanish	47

Two indices which give an indication of the foreigners' movements may be calculated; on the one hand, the annual turnover rate (separations in 1961 as a percentage of the number of the nationality employed during the year - i.e. those present at the beginning of the year plus those taken on during the year; and the rate of displacement (the total number of separations as a percentage of total engagements since the particular nationality began to be employed. However, this latter index is affected by the fact that the employment of the various nationalities began more or less recently. The two indices are given below.

	Turnover rate 1961	Displacement rate in 1963	Turnover rate for all industries[1]
Spaniards	85	84	24.3
Greeks	66	80	29.9
Italians	27	55	23.9
Yugoslavs	18	50	
Turks	73	36	20.4

It will be noted that in the undertaking studied, the turnover, except for the Italians, is much higher than in the country generally. Despite housing, the working conditions in the mines, are thus an important factor in the separations. The case of the Italians, however, is quite remarkable.

The rate of movement in 1963 shows the increasing difficulty of keeping in the mines the foreign workers who have been employed longest. This made it necessary to turn to new nationalities, such as Turks, South Koreans and Japanese and even, in the undertaking in question, the Chileans.

(c) Age Structure of the Mining Labour Force

It is in this respect that the group under consideration has undergone the greatest changes; but movements of the same kind have taken place in the age structure of the Ruhr mines as a whole. In the following table the third column, for each year examined, gives the age structure of the German economy in general (active male population):

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[1] According to the survey by the Bundesanstalt concerning foreigners (1963) (men) (same definition).

Age Group	1953			1958			1963		
	Firm	Ruhr	Fed. Rep.[1]	Firm	Ruhr	Fed. Rep.	Firm	Ruhr	Fed. Rep.[2]
14-20	23.2	15.8	11.4	18.6	15.8	11.9	8.4	7.5	8.8
21-45	45.8	54.2	52.0	53.0	55.2	49.5	65.0	63.3	54.0
46-60	27.6	27.2	28.0	25.5	26.6	30.0	24.2	26.8	27.4
Over 60	3.4	2.7	8.5	2.7	2.2	8.6	2.3	2.0	9.8

The large number of young workers in 1953 must not be attributed simply to the age structure for the country as a whole: unemployment was still massive in 1953, but production and employment were increasing in the mines: they gave immediate openings to young people in this branch and attracted them to it. The attraction diminished as prosperity spread to other branches of the economy, the more so when the reduction in employment affected the mines from 1958 onwards, while it was increasing in most of the other branches. For several years the undertaking considered has been making costly efforts to attract young workers and to retain some of them.

3. Young Workers and Training

From 1953 to 1963 the above changes in the structure of the work force and in the age structure combined to give an entirely new aspect to training among the young workers. The following classes may be distinguished:

(1) Apprentice miners (destined to become skilled miners)

(2) Young miners (destined to become semi-skilled miners)

(3) Apprentice mechanics and electricians

(4) Commercial apprentices

(5) Apprentice technicians.

The total number of young workers fell from 2,550 in 1953 to 1,371 in 1958 and 513 in 1963, the distribution being as follows:

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[1] 1952.

[2] 1961.

Class	Percentage distribution of young workers		
	1953	1958	1963
1	79	50	29
2	15	32	46
3	5	15	20
4		2	4
5	1	1	1
Total of young workers	2,550	1,371	513

Arrangements to induce young people to enter the mining occupations are made by the public vocational guidance services of the local employment offices. In 1963 the group received 15 occupational counsellors, accompanied by 1,550 pupils from the elementary schools and 61 masters on a visit to the mines and apprenticeship institutions belonging to the group.

The training of skilled workers is particularly long. After three years of apprenticeship the young man passes an examination (Knappenprüfung). Two further years enable him to take another examination (Hauerprüfung). He then needs another year (i.e. six in all) to qualify fully as a miner (Hauer).

It should be pointed out here that, in order to compete on the labour market with the other industrial firms, which are numerous and powerful in the area and even in the locality, the group has had to make wage adjustments for the apprentices in the new trades (electricians, mechanics) so as to render their wages comparable with those of the mining apprentices. These workers are subject to the same working conditions as the underground miners themselves and their jobs are not comparable, either technically or as regards working conditions, with those of mechanics or electricians in other industries. Provision for a wage above that laid down by collective agreement is made in a contract between the undertaking and the apprentice (represented by his parents): this specifies the increase taking the form of a voluntarily accorded training allowance at a flat rate (reducible if wages are increased).

The apprenticeship allowance is promised on condition that the apprentice, with the consent of his parents, is willing to undergo training as a mechanic (or electrician) and after his training to carry on such a trade underground.

The allowance is repayable if the apprentice leaves his apprenticeship, or if he is dismissed for a reason for which he is responsible or which is connected with his person (illness ...) or again if he leaves the undertaking within two years of the end of the apprenticeship. After these two years the right to repayment lapses.

Following discussions with the trade unions it has been decided to give the choice between the immediate cash payment of the amount due or its remittance to a savings account. After expiry of the time during which the individual is bound by the contract he recovers his full freedom of movement.

Further, fidelity bonuses were started in 1957 for mining apprentices who had qualified, and in 1960 for underground mechanics and electricians. The right to the bonus begins at the end of the first apprenticeship period of three years; it is payable one year after the trade examination. This bonus amounts to DM.1,000, free of income tax, which is the equivalent of about DM.1,300.

Finally, among the factors likely to attract young workers, the provision of housing accommodation by the undertaking should be noted. The efforts thus made have met with success, because the recruitment of young workers has made it possible for the group's apprenticeship workshops to be fully occupied.

4. The Employment Market

The firm - or group - under consideration here is located at a big place in the west of the Ruhr. The mines there have reduced their activity relatively little during the past ten years. Three pits have been closed, whereas in the Bochum area the closures have been much more numerous. The economic activity of the locality, although specialised in heavy industry, is intense. "Thousands of millions of marks have been invested there in recent years". The neighbouring plants are occupied with steel, heavy metallurgy, heavy engineering and shipbuilding (barges). In the neighbourhood, within a radius of a few miles, there are a dozen of them, each employing several thousand and sometimes more than 10,000 workers. There is practically no unemployment in the area but, on the contrary, an intense demand for personnel.

The hourly wages in the mines remain higher than in the other industries, but the previous favourable margins have in part disappeared and, what is still more important, the reduction of working hours in the mines has been more general than elsewhere and leaves practically no room for overtime. Most of the workers interviewed made a point of the frequency or at least the possibility of overtime in the other industries. It is true that the miners still benefit from greater social advantages in some cases, but relatively these are diminishing. Pensions, however, remain considerably higher than those of other workers, but the corresponding contributions are likewise heavy.

Naturally it is the problem of the arduous conditions of work which is the most liable to entail a high rate of turnover, although both the employers and the workers often stress the importance of the esprit de corps and sense of calling in the mines.

Efforts made to create incentives for stability take only two forms - of housing and seniority increments on the Christmas bonus. This bonus, which amounted to an average of DM.58 per worker in 1953, rose to DM.293 in 1963. It varies with length of service and is calculated, as follows:

> 5 per cent. in the first year, 10 per cent. in the second to fifth, 20 per cent. in the sixth to tenth years and 25 per cent. thereafter.

It should be noted that the group, like most of the German undertakings, does not apply seniority bonuses on the hourly wage as is done for example, in France. This seems to be due to the painful and lasting memory left by national-socialist practices in that regard.

The most important effort made to promote stability of labour relates to the building of housing by the undertaking. The group owned 15,500 dwellings in 1953 and 22,400 in 1963 (+6,900). These are at present divided among workers currently employed (46 per cent. of the dwellings), old workers and widows (28 per cent.), while 26 per cent., mostly old, are occupied by workers not employed by the group. Thus all the currently employed workers have such housing (10,300 dwellings, 13,400 of workers). Most of the foreign workers (1,500) are accommodated in collective housing. The young workers (500) receive board and lodging in miners' homes if their parents are not miners themselves.

These efforts enable the undertaking to resist the strong pull exerted by other industries in the locality, especially when new factories are constructed or old ones increase their work force as has been happening to a great extent in recent years. Recently the management of a new plant posted up near the group's biggest pit and at places through which the workers passed, a notice worded as follows:

"X's new plant will shortly be completed, thus taking a leading position as one of the modern steel works in Europe. Think of the chance of belonging to an experienced work force and obtaining a reliable and well-paid job. We are now enrolling skilled workers - electricians, mechanics, turners, masons and welders.

We also give semi-skilled and foreign workers the opportunity to work alongside highly-skilled comrades. Think about this chance; apply to our personnel office ... (address). For further information we are available every Saturday and Sunday from 9 to 12... (address)".

An undertaking in the locality replied to this notice by posting up another headed:

"Y offers more."

This anecdote gives an idea of the struggle to attract skilled workers in a locality which is highly industrialised and offers relatively diversified employment. However, during the year the group under consideration lost only about 150 workers out of the 1,770 who were displaced as the result of the closure of a pit in the same locality as the new works mentioned above.

5. The Turnover Rates

The rate of turnover has varied considerably and shows a trend which is interesting as regards relations between the group and its employment market. The figures show the total number of voluntary separations (breach of contract and notice given by the worker) as percentage of the total manpower on 31 December of each year.

Turnover (Voluntary Separation)[1]
as Percentage of Total Work Force

1955	1956	1957	1958	1959	1960	1961	1962
16.8	16.6	16.4	13.2	14.4	9.8	12.4	12.8

The high turnover at the beginning of the period (1954-1957) is due to two different factors - on the one hand the higher percentage of young people in the work force (more than 38 per cent. between 14 and 25 years of age in 1953 - the turnover propensity of this age group is always high, and, on the other hand, the general growth of industry and employment in other branches in the locality.

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[1] Kontraktbruch, Kündigung durch den Arbeiter.

However, as the percentage of young labour fell (32 per cent. between 14 and 25 in 1958) the turnover likewise dropped (16.8 per cent. in 1955, 13.2 per cent. in 1958).

The rate rose again in 1959 (14.4 per cent.) following the closing of the first pit, but this rise was slight because of the replacement arrangements, and in fact it only brought forward the separations which would have taken place in the following year (1960) when the rate was the lowest of the whole period, 9.8 per cent.

The rates for 1961 and 1962 (12.4 and 12.8 per cent.) seem to represent an equilibrium, reached as the result of a fairly regular fall in the turnover rate.

These figures are not comparable to the turnover rates (Fluktuationsgrad) furnished by the inquiries described above (cf. Part II, Chapter 3) because those inquiries are concerned with the separation rates for "Mines, Quarries and Energy" as a whole, where the rates for men for 1959, 1960 and 1961 were 9.2, 9.3 and 7.8 respectively.

However, as the mines usually have low turnover rates it may be accepted that the diversity of the labour market of the firms under consideration has greatly helped to raise them.

6. Effects of Rationalisation Measures (Pit Closure)

During the period under consideration the group closed two pits, in 1959 and 1963.

The 1959 closure entailed the displacement of 1,575 workers, of whom 1,380 or more than 80 per cent. were placed in other pits or establishments belonging to the group. In this connection it is stressed that the economic unit constituted by the two companies enables the workers to be resettled in neighbouring pits. The closure was decided upon at the beginning of May for the end of the year. It was brought to the notice of the workers by posters and individual notices on 13 May. At a general meeting of the workers held on 24 May, details were given regarding the reasons for the closure and the prospects of re-employment. The individual notices explained that the workers at the pit would be moved during the year - the underground and some surface workers to other pits, some surface workers to the coking plants. The notice included a detachable portion which read as follows - "If the workers at Pit Z are given other employment, I wish to go to Pit ... to Coking Plant ..." and added that it was important to avoid a change of housing. No guarantee of a new job was given in writing on the individual notice, but the management said it would do everything possible to replace everyone according to his wishes. In fact, a different job from the one desired was proposed to only about 50 of the workers concerned.

Amongst the 1,948 workers at the pit on 1 May 1959, the changes were as follows:

	Underground	Surface	Total
Redundant workers	1,433	515	1,948
Moved to other pits	1,035	186	1,221
Moved to coking plants, etc.		158	158
Kept at the closed pit	113	129	242
Voluntary separations from May 1959 to January 1960 (including retirement)			327

Some of the places available for workers at the closed pit were freed by early retirements, financed as part of the E.C.S.C.'s aids to adjustment.

This event brought about an important change in the reasons for separations or displacements for the manpower as a whole. The following table, apart from the two years 1958-59, relates to 1953 and 1963, a year in which a further pit closure took place.

	Separations or displacements[1] (per cent.)			
	1953	1958	1959	1963
Displacements within the group	-	4.4	29.7	39
Contractual dismissals	-	10.5	5.2	3.2
Notice by employee	26.7	23.5	28.4	21
Breach of contract by employee	46	42.3	23.9	22.3
Other reasons	14.1	3.8	1.9	2.4
Retirement and unfitness	13.2	12.8	9.2	12.1

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[1] Principal cases.

The second pit closure took place in 1963, with the same procedure as in 1959. In its announcement to the workers the management even stated: "We need every worker and we hope that you will understand and stay with us." The following resettlement was carried out.

Resettlement of Workers Released by the 1963 Closure

	Underground	Surface	Total
Redundant workers	1,281	491	1,772
Other pits in the group	1,062	213	1,275
Coking plants and other establishments		155	155
Invalidity or E.C.S.C. adjustment arrangements		164	164
Separations		136	136
Remained at the closed pit		42	42

The number of voluntary separations directly connected with the closing of the pit in 1963 was therefore very small, and of the same order as 1959. The excess in the number of those displaced as compared with those resettled (about 200) is explained by the arrangements for early retirement made as part of the E.C.S.C.'s aids to adjustment.

A breakdown was made by reasons for displacement in the same way as in 1959, (see table).

7. Conclusion

The main conclusion of this study seems to be as follows:

(1) Diversity in the labour supply is an important factor in high labour mobility. Thus, even in an industry like coal mining, with low turnover rates (often for reasons in which location plays a large part), an undertaking may keep a relatively high rate.

(2) Especially in the case of undertakings having to rationalise by closing certain installations, the size of the undertaking or group is an important factor in resettlement and forecasting.

(3) On the other hand, in spite of the high potential mobility due to the attraction of other firms, a policy of high wages for young workers and housing for adults makes it possible to offer effective resistance to excessive turnover.

A COTTON TEXTILE MILL AT ERLANGEN

Erlangen, about 20 km. from Nuremberg, has seen its population grow from 35,000 to 75,000 since the end of the war. Since 1945 the greatest change in the town has been caused by the setting up of administrative and research services and a works for electro-technical manufacturing by Siemens-Halske, which employes 14,000 workers in large modern buildings.

The mill belongs to a company which possesses five other establishments, located in Southern Germany; it is the biggest German undertaking in its special line (cotton textiles). Its establishment at Erlangen goes back to the end of the nineteenth century.

1. Employment

The number employed by the company fell slowly but constantly by 7.5 per cent. in the eight years 1955 to 1963; but "Erlangen" (mill and head office) decreased its total employment by 11.5 per cent. and its employment of wage earners by 20 per cent., whereas the employment in two other establishments (Bamburg and Wangen) remained stable. Everywhere the number of salaried employees has grown or remained stable or increased by +14 per cent. at Erlangen where the number of commercial employees has shown the greatest increase. But supervision has increased most (by + 50 per cent.) in the company as a whole. However, the numbers concerned are relatively small. The biggest establishment of the company, at Bamberg, has only 1,560 workers.

	ERLANGEN		A WHOLE COMPANY	
	1957	1963	1957	1963
Salaried employees	216	245	385	421
Supervisors	17	34	198	297
Wage earners	1,029	816	5,271	4,699
Total	1,262	1,095	5,854	5,417

Among the wage earners as a whole the proportion of women is practically stable and exceeds half the total (52 per cent. in 1957, 51 per cent. in 1963). Among the men, the young are not very numerous and the age distribution is fairly even. As for the women, although the group under 25 is larger than the others, it has not - as in Munich, in electro-technical manufacturing, for example a clear predominance. This must be attributed to the fact that apprenticeship practically does not exist for most textile jobs, but only for certain highly skilled trades. As for foreigners, the company employs very few and no women (160, or 6 per cent. of the men in 1964) but nevertheless attached some importance to engaging them, as will be seen below.

2. The Employment Market and Turnover

For the men - at least for the labourers - other possibilities of employment are provided by public works to which they are attracted in spring by the high wages (earnings are twice as high as in textiles). They come back in the autumn, when bad weather stops work on the construction of motor roads. They are replaced by foreigners, who can be easily and quickly obtained up to a certain number (300 for example) through the Labour Office.

In some departments where the work is hard (noise, heat, permanent night work) there are more than 50 per cent. of foreigners. The Turks are specially appreciated for their stability. Another example of seasonal mobility amongst the men is provided by another establishment near a sugar factory. The men leave the mill during the four weeks of the sugar beet season, using their holiday, when the mill is closed. There again, their wages are much higher than in textiles (DM.5 an hour instead of DM.2).

The skilled workers are attracted by Siemens. Elsewhere Bosch exercise a similar attraction. Finally the proximity of Nuremberg and its industrial suburbs enlarges the employment market. As for the engineers and salaried employees (especially high-grade commercial employees), they have very specialised qualifications which to a certain extent limits their mobility. The greatest scarcity is among commercial employees.

Big technical changes in the undertaking have taken place during the period - installation of more costly machinery with a view to manufacturing more complex products capable of competing with Asian production. However, those changes have not involved difficulties of adjustment for the workers; "when a more complicated machine is installed the best men or women workers are put on to it and they easily adapt themselves".

Female workers can find jobs with Siemens, which has a strong attraction, and also, on a seasonal basis, with two large mail order houses in Nuremberg. In the period before Christmas these undertakings recruit 4,000 additional women (normal complement 3,000). The most important of these houses has 150 buses which pick up the employees within a radius of 50 km. The competition is not exerted through wages but through the opportunities for buying at a discount, which are specially appreciated at that time of the year.

3. Turnover

The employment market is such that a high turnover is to be expected. Calculated on the relation of all separations to the number employed on 1 January of each year, the following series applies to all the establishments together:

Separation Rates (Men and Women) (per cent.)

Year	1958	1959	1960	1961	1962	1963
Firm	12.1	14.3	13.8	15.3	14.7	12.8
"Verarbeitende Gewerbe"		15	14	11.3		

For all industries manufacturing non-durable goods (Verarbeitende Gewerbe), the surveys made by the Labour Office show comparable (and even higher) rates for 1959 and 1960: however, the falling tendency is not revealed in this firm in 1961, but only in 1963.

Among the causes of turnover noticed by the personnel management we may mention the marriage of young women, and we should recall the mainly seasonal movements of men (public works) and women (commerce). The mobility is least in the establishment situated on the edge of "the Zone", because of the lack of other important undertakings in the locality.

In the case of the three commercial employees whom we interviewed, it appeared that mobility during the first five to seven years of occupational life was considered to be an essential condition for perfecting training and experience. According to one of those interviewed, a specialist who thus accepted mobility at the beginning of his career could double the wage which he would have drawn by remaining in the same place, owing to the experience acquired. After this mobile period, stability is desired.

4. Methods of Recruitment and Training, Arrangements concerning Mobility

The undertaking has at its disposal six buses which bring workers, men and women, to the factory from within a radius of 20 km. (about one-quarter of the number of workers); part of the personnel belongs to rural families and lives in the country. The very great majority of the workers are recruited in the district (Kreis). Housing is the most effective means of keeping labour; it is provided for salaried employees, supervisors, skilled workers and foreigners. The company has 900 appartments, spread over 200 buildings. It has also granted loans for 400 appartments. Foreigners and girls are accommodated in collective housing. Both the management and the senior staff emphasise the importance of housing for this class of workers: "Practically, when the wage is over DM.1,000 a month, the undertaking which engages must provide housing".

A works pension scheme benefits the workers after 15 years of unbroken service in the undertaking.

Training exists only for the specialists - chemists, maintenance workers, engineers, salesmen. It is provided for the best workers, selected in the undertaking; they are sent to the textile technical school, receive a wage in accordance with their qualifications, and undertake to remain with the undertaking for three to five years according to the case. The period of training varies with the speciality, up to three years. It often happens that the sons of foremen enter the undertaking and receive this kind of promotion.

5. Conclusion

Observation of this case calls for the following remarks:

1. The labour falls into two groups: one very mobile, sometimes on a seasonal footing - it is essentially composed of unskilled workers. The turnover is regretted, but it is not sufficiently disturbing to call for counter action (housing, pensions ...). The other, composed of specialists, skilled workers and supervisors, is more stable and is encouraged to be so, especially by housing.

2. Technical changes do not entail difficulties of adjustment.

3. Mobility, in the first years of the occupational life of specialised, salaried employees (sales), is an important means of training and promotion.

4. In the non-skilled group, textiles is only one opportunity of employment, which can easily be replaced by others (public works, commerce).

A PUBLIC WORKS UNDERTAKING

The establishment, which belongs to one of the largest German public works undertakings, is situated at Frankfort, where it has several work sites, sometimes in association with other undertakings.

The whole of the building and public works industry had a total personnel of 1,667,510 in 1964, including 1,589,400 wage and salary earners. Amongst these there were relatively few salaried employees (7.3 per cent.), a majority of skilled workers including foremen (53 per cent.), 200,000 foreigners worked in this industry and made up to 12.6 per cent. of its manual labour. The undertaking, of which an establishment is examined below, is prosperous - its business turnover in Germany increased by nearly 40 per cent. between 1961 and 1963; apart from this it did 25 per cent. of its total business abroad at that time.

1. The Work Force and its Structure

Employment in the establishment moved as follows between 1958 and 1963.

	1958	1959	1960	1961	1962	1963	1958	1963
Total employment	2,190 (100) (1)	2,563 (122)	3,032 (138)	3,040 (138)	3,499 (160)	4,476 (208)	100	100
Skilled workers and foremen	1,225 (100)	1,429 (116)	1,557 (126)	1,552 (126)	1,715 (140)	2,316 (170)	56	52
Labourers	714 (100)	881 (121)	1,224 (170)	1,183 (168)	1,424 (200)	1,728 (240)	32.5	38.4

	1958	1959	1960	1961	1962	1963	1958	1963
Salaried employees	189 (100)	202 (106)	216 (114)	225 (134)	301 (158)	360 (190)		
Senior supervisors	12	13	13	22	25	26		
Apprentices	50	38	22	28	34	46	2.4	0.9
Salaried employees and senior supervisors	201 (100)	215 (107)	229 (114)	277 (138)	326 (162)	386 (192)	9.1	8.7

(1) Indices.

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The above table shows a doubling of the total employment and a more than proportionate increase in the number of labourers, together with a relative decline in the number of apprentices, which in any case is very small. For this establishment we have no statistical series concerning young workers and foreigners. We know, however, that in 1964 the percentage of foreigners was very high (40 per cent. of wage earners). Most of the labourers and even some of the skilled workers were foreigners. As for the young workers, we have figures for 1957 only. At that time 34 per cent. of the wage earners were under 25 years and the average age was 35, whereas in 1964 the average age of the wage earners was 38.3 (31.1 for salaried employees) - i.e. the work force was growing older and the recruitment of young workers was becoming more difficult. In the industry generally as well as in the undertaking, actual hours of work have fallen by 4 per cent. since 1956, although the time laid down by agreement was reduced by 12 per cent.

2. The Employment Market and Turnover

We have no statistics from which series of turnover rates could be calculated for the undertaking or the establishment, but only for a work site which we visited and analysed the personnel records. We also have statistics for the establishment showing the average duration of employment in 1957. According to these figures, 34.5 per cent. of the total number of wage earners in 1957 had been employed for less than ten months and 65 per cent. for less than three years. On the day of the inquiry (30 June 1964) there were 150 workers employed on the site. It had been open since 1 June 1963, i.e. for 13 months. During this time 200 workers had left, or 134 per cent. of the final number employed.

Among the 200 workers who had left, 47 per cent. had stayed for less than two months, 63 per cent. for less than three months, 83 per cent. for less than six months, and 17 per cent. for more than six months: the average length of employment of all those who had left was 4.2 months. Appreciating this extraordinary turnover, it must be borne in mind that the site had been recently opened and that apart from a nucleus of skilled workers from the participating companies, most of the workers had been newly engaged for this site. Of course, turnover is highest among those who have just been taken on. This is no doubt the maximum level which turnover can reach in building, which in turn has the highest rates in all industry (37.6, 29 and 23.2 per cent. for men in 1959, 1960 and 1961 respectively according to the survey made by the German Labour Office, cf. II, 3).

The manual work force, especially among the labourers, is so fluid that the absence of turnover statistics for this personnel can be understood.

However, the undertaking draws up such statistics for salaried employees. For men we have the following series, to which we have added the figure for industry as a whole (both sexes, in view of the small number of women) for 1961.

Separation rates (all separations) for salaried employees

1958	1959	1960	1961	1962	1963	Industry 1961
6.2	12.2	9.0	9.7	5.5	8.8	7.4

In view of the small number of persons concerned (ranging from 156 to 297) it is difficult to interpret the variations.

This general behaviour is to a large extent explained by the seasonal factor. But the employment market conditions to which the site and the establishment are subjected help to explain the exceptional levels attained here. Both are at Frankfort and not, as is often the case with public works sites, in the country or near a small town (cf. the German textile case). Accordingly, opportunities for employment are numerous in the immediate vicinity, not only in the same industry but in others also.

Regarding the establishment as a whole, it was pointed out to us that the building trade is exposed to competition from most of the others because of changing work places, inclement weather and dirty jobs. This is also why, we were told, country people do not go much into building, whereas undertakings in other industries make intensive use of buses to pick them up as far as 50 km. from Frankfort.

It is true that the wages are relatively high. However, although their level makes it possible to avoid the competition of the chemical industry, which is strong in Frankfort, it is not the same with the oil refineries and the metal trades, where employment is even greater. "Opel", we were told, "competes with us more than the industries of the same kind" (building, public works). In the metal trades, moreover, 70 to 80 per cent. of the specialised workers (slightly skilled or unskilled) are on piece work, as against about 30 per cent. in building.

However, labour is not scarce, among the labourers but in certain skilled trades, especially that of concrete timber-man (Betonbauer). The apprenticeship of a good skilled worker requires three years and the number of applicants for apprenticeship has fallen heavily, especially - according to statements made - because of the higher wages earned by slightly skilled workers in the metal trades.

However, it was pointed out to us that technical progress had to a great extent palliated the scarcity of certain trades at the cost of heavy investments. The use of prefabricated sections exercises a similar influence in regard to most of the traditional trades. The technique of pre-stressed concrete likewise helps to palliate the scarcity of masons. The employment table for 1958 to 1963 shows that the proportion of skilled workers has noticeably fallen in favour of unskilled workers. It is true that in the same period the number of senior supervisors (Leitendes Personal), although small, had more than doubled (from 12 to 26 persons).

3. Training and Manpower Policy

The firm does not take any special steps to keep its workers (no seniority bonuses, or at least only after ten years' service). Nor is workers' housing provided (the change of work sites is a problem). Pensions are provided only under collective agreements; the undertaking does not arrange for supplementary pensions.

The professional training of engineers is carried out at two levels: the higher level confers the title "graduate", obtained after six years of study in a technical college. These colleges train about 100 engineers every year, but not all go into the building and public works industry. The lower level covers the great mass of engineers, but this is said also to be the class which is most scarce. Here the training begins with apprenticeship in an undertaking, at 14 years after the elementary school, and continues in an engineering school (three years). The title obtained is "Engineer". In either case two forms of specialisation are possible, in either planning (Konstrukteur) or site management (Bauführer). Training at the lower level leads mainly to the second speciality, and it can be understood men so qualified are appreciated and rare, in view of the training and qualities demanded, among which human qualities are not the least important.

The shortage of foremen has led to the organisation of courses within the undertaking (eight in 1960, 21 in 1964). The improvement of vocational training applies mainly to supervisors and technicians. It is organised on an inter-undertaking basis.

The vocational training committee of the building industry employers' association has published a booklet for young workers on training and conditions of work in the building trades. The booklet stresses modernisation (modern machinery), opportunities for promotion and overseas travel, and the elimination of discomforts due to unfavourable weather. The trades, described in detail are timber-man, mason, carpenter and road builder, in that order.

Conclusion

1. By reason of its location in a large city with a highly diversified labour market, the case just examined accentuates the general features found in the building and public works industry.

2. However, the very big turnover, especially of labourers, is not considered to be a serious problem by the undertaking, and no special steps are contemplated for reducing it.

3. A certain scarcity of labour is felt in the case of timber-men, foremen and site managers. But as regards skilled workers in general, it is recognised that the technical innovations are capable, at high capital cost, of greatly palliating this scarcity. In fact, during the period there was some substitution of unskilled for skilled labour.

4. There is competition for manpower with all industries and especially with the metal trades. The level of actual earnings and the kind of work are regarded as the most important attractions, especially for the young but also for rural workers. The increasing age of the work force shows that it is becoming more difficult to attract young people. A similar problem was encountered in mining.

5. The high proportion of foreigners shows their importance as a source of ordinary labour and in certain cases of skilled labour.

A SHIPYARD AT KIEL

Kiel, the capital of Schleswig-Holstein, has 270,000 inhabitants and is situated at about 100 km. from Hamburg. Its industry, which is mainly composed of shipyards and arsenals, comprises a few big undertakings and a large number of small and medium-sized firms gravitating around them. The firm to which this case study relates, one of the most important yards, founded in 1938, builds ships, machines and various kinds of metal installations. Business approximately doubled in ten years, but is marked by very strong market fluctuations (minimum 1956-57, maxima 1959-60 and 1962-63). In the period 1953-63, average business for the last four years was 70 per cent. higher than the average for the first four. The undertaking has therefore prospered financially.

1. Employment (cf. chart)

The employment of manual workers moved from 8,300 in 1953 to 8,760 in 1963. It almost continuously increased from 1953 to 1957, when it attained its maximum (12,000) but this was in part due to extension and modernisation works. Since 1960 it has steadily decreased. Big investments were made in 1956-57, and in 1961-62. Movements since 1958 have been extremely steady and show the effect of planned rationalisation measures consequent upon the modernisation effort. Hours of work have also fallen since 1961, in accordance with the collective agreements, from 200 to approximately 180 hours per month for men.

As a heavy industry, the shipyards employ few women wage earners (2.5 per cent.). The percentage of semi-skilled and unskilled workers changed little during the period; there has only been a slight fall since 1953 (31 per cent. against 27 per cent. in 1963) but this percentage has increased since 1958, when it was 25 per cent. The percentage of salaried employees, although rather small, has risen - it grew from 6.8 per cent. in 1953 to 12 per cent. in 1963; two-thirds are women. A characteristic of the undertaking, therefore, is the high proportion of skilled labour. This proportion has remained more or less stable, but the composition of the skilled work force has been changed by technical progress. The demand for riveters has greatly diminished (replacement by welders) and the same applies to joiners (growing importance of plastic materials). On the other hand, more painters are needed because of the increased size of ships and the absence of great technical changes in this special trade. Electricians and mechanics are likewise rare. Orders for ships and the knowledge of technical changes enable the need for labour to be accurately foreseen.

2. The Supply of Labour

The personnel management emphasises that there has been a falling off in the supply of labour since 1957-1958. Until that time there was no employment problem either for the skilled workers or for the other classes Before 1944 three big yards employed 30,000 workers. Two of them were destroyed. Since then the yards have been rebuilt and the industry has been diversified. A military arsenal has been completed.

Until 1954 many rural workers wanted to be employed, but this supply has almost completely disappeared. Young apprentices are likewise more scarce, or at least it is more difficult to keep them. In 1957, 75 to 80 per cent. of the apprentices trained remained with the undertaking, but today only one-quarter can be retained. The attraction of the army was mentioned on various occasions among the causes of the scarcity of young workers: next comes the attraction of the building industry and the military arsenals. To recruit new workers the undertaking uses advertisements in the press and makes contact with the pupils at the ordinary schools and the schools of engineering. The shortage of welders has recently resulted in the employment on less arduous jobs of women who work part time (four hours) in the morning or afternoon. The undertaking does not recruit many foreigners (about 150) and points to the cost (journey, apprenticeship, housing) and to the language difficulties. Yet this is an important source of ordinary labour, capable of being trained.

3. Training

The need for certain qualifications and the changes of relative importance in the various qualifications have required training and adjustment. The undertaking is making a great effort to attract apprentices, and the number has doubled since 1957 (1,000 in 1964). It publishes an illustrated booklet carefully describing for each trade the apprenticeship, the work, the opportunities for promotion and the chances of employment in other industries.

Accelerated training is also provided for foreigners: in four weeks it is possible to train a welder (simple jobs). Only those who are capable of being trained are engaged.

Alterations in skill requirements as a result of technical change require re-training. This is the case with riveters, who during the readjustment continue to receive their previous average wage as provided by collective agreement.[1] After the readjustment they are sent to new jobs and receive not less than the wage of the group immediately below that to which they previously belonged, i.e. a (possible) reduction of 5 to 10 per cent. Since 1955 this readjustment has been applied to about 3 per cent. of the workers. Training courses for foremen are organised in the locality for the trade as a whole, but the undertaking also has a training organisation of its own for foremen and supervisors.

4. Turnover

After the big fluctuations of 1953 to 1958, the turnover continued to rise between 1958 and 1963 from 5 per cent. to 13.5 per cent. per annum. (Voluntary separations in per cent. of the male manual work force on 31 December.) As it relates only to voluntary separations the above figures are not comparable with those of the Labour Office surveys for 1959 to 1961. However, Schleswig-Holstein is known to be the region with the highest over-all rate of turnover (14.3 per cent. for men in 1961). But although it fell sharply from 1959 to 1961 the voluntary turnover in the undertaking is very much higher than it was in 1958. According to the personnel management, the greater the scarcity of skilled workers the higher is the turnover. However, the gradual disappearance of unemployment in the region - which had long suffered in this regard - is certainly an important factor. Account must also be taken of the growing number of apprentices trained (of whom only a small proportion remain in the undertaking, cf. supra). Finally, the wages laid down in collective agreements are lower in the region than in Hamburg, which is an important centre of attraction, at least for the young.

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[1] However, a worker whom we interviewed said that during this period he had earned not more than half his previous earnings.

5. Conclusion

This case accentuates:

(1) the extent of inter-firm mobility and of the inter-occupational mobility of the young, as employment opportunities increase, in a region traditionally affected by high unemployment;

(2) the relative ease and rapidity of adjustment to new trades, at least when the workers are not discouraged by loss of wages;

(3) the relative ease with which foreigners and even women can be adjusted to certain jobs, although reputed to be skilled, such as that of welder;

(4) finally, the importance of a long-term (two year) forecast of labour needs, at least when apprenticeship in the undertaking makes it possible (even with an increasing turnover) to adapt training to future needs.

A PLANT MAKING ELECTRICAL MACHINERY IN MUNICH

The establishment visited is a factory for the manufacture of light parts for electrical and electronic equipment (radio, TV, etc.). It belongs to a very big German undertaking, consisting of two linked companies, with seven subsidiaries. Forty-eight establishments are spread over 22 German towns and abroad. In Munich itself the factory visited is not the firm's only establishment.

Representatives of the firm complain of a growing and general scarcity of labour in all the establishments, and of a high turnover. We shall consider how to judge and explain these facts by observing the employment trend and its characteristics, both in the undertaking as a whole and in the Munich establishment which we specially studied.

1. Employment and Production of the Group

The group is one of the biggest European makers of electrical equipment of all kinds, and also operates in automation, communications and the industrial uses of nuclear energy. It therefore supplies most of the large industries. It is influenced by the general expansion, especially in the sectors undergoing rapid modernisation, but may also feel the effects of recession in certain industries, such as coal mining. In the group as a whole (the two main companies and the subsidiaries) employment has continued to increase year by year, but the activity of one of the main companies was reduced during the period (from 1956-1957 to 1958-1959), and this resulted in an attempt to rationalise employment. In the remainder of this account the "group" will mean the two main companies; the "concern" will include all the affiliated companies; and the "establishment" will mean the factory visited.

The group's business turnover had a first period of expansion from 1953 to 1958-1959 - in the turnover in Germany, the date of the only reduction in comparison with the previous period for one of the firms. But the group does a large proportion of its business (a quarter for one of the companies, one-third for the other) by export. After 1958-1959, a second period of great expansion continued until 1961-1962-1963, when difficulties in regard to certain forms of production affected one of the companies as a result of a falling off in foreign demand in the mining sector.

However, the group's business turnover nearly trebled during the period, and more than trebled in one of the two companies. In 1962-1963 it exceeded 4,000 million marks.

In the same period employment grew from 80,000 to more than 180,000 in a progression interrupted by a period of relative stability, or even reduction, in 1957-1958-1959. Between 1956-1957 and 1957-1958, 1,900 male and 1,200 female salaried employees, 3,100 male and 2,900 female wage earners were dismissed because of reorganisation.

2. Employment Structure in the Group

The composition of the group's work force has undergone three characteristic trends during its growth:

(1) The proportion of salaried employees has risen from 28 per cent. to 33.5 per cent.

(2) The proportion of women has risen from 27.5 per cent. to 31 per cent. among salaried employees, and from 31 per cent. to 36.5 per cent. among wage earners.

(3) The proportion of foreigners rose at the end of the period and reached 7 per cent. of all wage earners in May 1964.

The proportion of skilled workers is high only among the men (57 per cent.). Taking the wage-earning personnel as a whole (men and women), the proportion is only about 33 per cent. The others, especially women, are on simple repetitive jobs.

Among the salaried employees, 85 per cent. are ordinary personnel, 12 per cent. belong to supervision and 3 per cent. to management.

Between 1955 and 1962 the average age (in the group) remained stable as regards male wage earners, increased slightly as regards female wage earners (showing the greater proportion of married women) and fell in the other classes.

Applications for employment are largely under 25 years of age. Among those taken on in 1961 the "under 25s" made the following proportions:

Male salaried employees	40.3 per cent.
Female salaried employees ...	67.2 " "
Male wage earners	52.3 " "
Female wage earners	52.8 " "

3. Personnel Turnover

This is defined as the percentage of separations, in all classes, in relation to the average number employed during the period. Since 1954-1955 the following points have been observed:

(1) Among salaried employees, relative stability around 13 per cent. for the women and 5 per cent. for the men, and a slight tendency to rise for the women and to fall for the men since 1954-1955.

(2) Among women wage earners, a rapid rise, levelling off since 1960-1961, and reaching 35 per cent.

(3) Among male wage earners, a fall from 1954-1955 to 1957-1958, followed by a rise and a stabilisation around 24 per cent. since 1959-1960.

In comparison with the national average these are very high levels. The size of the work force and the geographical spread of the factories gives these figures a special interest: they must reflect, not the influence of some local employment situation, but that of general conditions applying to all establishments; and they probably represent the behaviour of workers throughout the electro-technical industry.

The national turnover rates in manufacturing industry for 1961 are given below.

Turnover Rates in Manufacturing Industry (both sexes) (1961)

Wage earners and Salaried Employees	Wage Earners			All Wage Earners	Salaried Employees
	Skilled		Unskilled		
	I	II			
10.5	9.3	6.5	14.7	11.5	5.1

The above classification is not the same as that used by the group, but it appears that the turnover there was much higher, about double or even more, in 1961.

The drop in the turnover rates for wage earners coincided with the rationalisation measures carried out in 1956-1957-1958, at a time when, of course, unemployment was still large.

Employment of Male Wage Earners

	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61
Employment	54,400	61,200	64,200	62,600	62,500	65,800	72,400
Difference from year to year	7,800	+6,800	+3,000	-1,600	-100	+3,300	+6,600
Difference as per cent. of employment in current year	+14.2	+11	+4.7	-2.5	-0.16	+5	+9.1
	23	22	20	19	19.5	23	24

A fairly close relation seems to exist between the rates of new engagements and the turnover rates for men; however, the turnover was accentuated from 1959-1960 onwards by the generalisation of full employment.

The same relation is not seen as regards women. Apparently therefore in their case a general factor, independent of the employment trend within the undertaking, comes into play.

First it should be noted that these are unskilled women workers with the highest rates of turnover. But the main factor is the growing demand for this type of labour since 1954-1955. While the proportion of female labour was growing in the traditional industries (from 31 to 35 per cent. on the whole), the employment of women was developing in the services and commerce, often on a seasonal basis, and this gave an incentive to some women manual workers to take good jobs for a while as salaried employees. We may recall the remark made in the Erlangen textile mill concerning the heavy seasonal increase in the demand for women in the big mail order houses. Finally, the radio-electric, photographic and other industries have developed the demand for female labour in the towns.

It may be added that in the group under consideration the wages do not seem to be a factor capable of retaining unskilled labour.

4. Attempts at Stabilisation and Training Policy

The efforts made to keep labour are directed more towards the skilled manual workers and salaried employees. In this sphere the size of the work force and of the establishments belonging to the group is such that the best persons can be retained by selection and promotion at the cost of a high turnover amongst the others. This selection is carried out at the apprenticeship stage (apprenticeship has increased in the last few years). On 30 September 1963 the whole group employed 10,800 apprentices, or 5 per cent. of the total work force (7,500 manual and 1,200 commercial). The report to the General Meetings points out that "the interest in continuing to study after apprenticeship has increased in recent times. This is also why we have increased the number of apprentices for manufacture and sales, in order to supply our establishments with a sufficient number of young people trained by ourselves. It is pleasing to note that a large proportion of former apprentices return to us after the completion of their studies. By scholarships and study loans we encourage young people to obtain certain qualifications".

"Social education" work of the selected young employees makes it possible to improve their technical and general training and at the same time to increase their understanding of the company's internal problems.

Advanced courses are held. Finally, the expansion of business and employment has made it necessary to double the number of supervisors in the last ten years. The authors of the report are pleased to note that the supervisors have come, as a rule, from the undertaking itself, thanks to a planned system of encouragement, observation and selection.

This account justifies the hypothesis that in groups of the type under consideration the personnel comprises two very distinct levels. The upper level consists of a group of workers carefully selected psychologically and relatively attached to the undertaking, first - by the time already passed there - and then economically by the special occupational skills which they have acquired. This group contains the salaried employees not covered by collective agreement ("Ubertarifliche Angestellte") whose average age is 48 or 45 (women). Big opportunities for promotion therefore exist, either in the establishment or in the group.

The other level consists of relatively impermanent workers, skilled or unskilled, and no special effort is made to stabilise it - at least, it seems, not by a high wages policy. Current needs at this level are met by (and in spite of), a high turnover, since the undertaking is so big that it can always attract a flow of labour from small and medium firms. Offers of employment are made known by advertisements published daily in the various newspapers in each locality. The "Süddeutsche Zeitung" for 27-28 June contains three advertisements, two of them for the same establishment:

(1) A call for radio mechanics and electricians, in which emphasis is placed on the training provided (eine gründliche Spezialausbildung) and - twice - on the "independent" nature of the work. The candidates must apply in writing.

(2) A call for female stenographers.

(3) A call reproduced below, relating inter alia to the establishment visited at Munich. One passage reads as follows:

> "The manufacture of our products clearly shows that women and girls are clever with their hands - they are particularly suited for the work in our establishments, The work is clean and physically light. What we expect of you, you can quickly learn. Experienced colleagues will help you. The hours of work are 41 in the week (five days). You can choose either 7.00 to 16.00 or, in alternate weeks, 6.00 to 14.30 and 14.30 to 23.00. For single persons we have modern hostels".

But the demand for female labour is keen (several special pages for women in the newspapers) The following advertisement by a mail order house clearly shows this (newspaper for the same day as that quoted above):

"A pleasant job .... is what you will have at "Quelle" as despatch checker: easy, clean and just made for a woman. At "Quelle" there is good work and good pay - hourly wages just raised by 20 Pfennig.

There would also be something for you too .... on the permanent staff, or as holiday replacement, or as an auxiliary until Christmas .... We have real benefits at "Quelle": purchases at reduced rates, good meals, special buses, accommodation, etc. Hours of work: 6.30-16.30, 6.30-15.00, 6.30-11.30, or 12.15-16.30."

The intense competition for unskilled female labour explains the high turnover mentioned above. But it cannot be deduced that the same causes produce the same effects for the personnel as a whole.

The steps taken to stabilise the work force consist of financing housing (32,800 dwellings in 1963) and making housing loans.

A profit-sharing scheme and a pensions system are included amongst the social benefits, voluntary or imposed by law, the cost of which is 12.5 per cent. of the total expenditure on personnel in the whole concern.

Wages and Social Costs
(in thousand DM.) (1962-1963)

	Company 1	Company 2	All Companies
(1) Wages and salaries	747,945	971,771	1,807,000
(2) All social expenditure	112,396	110,512	252,000
(3) All personnel expenditure	860,341	882,283	2,059,000
(4) (2) as percentage of (3)	13	13.1	12.5

As in other German undertakings, we did not find any seniority bonus on the hourly wage. The steps taken to attract or to retain personnel therefore consist mainly in availability of accommodation for single workers not living with their families, and of meals in the works canteens. At least for unskilled personnel, the group does not seem to practice overbidding on wages.

The Establishment at Munich

This establishment, which was set up in 1954, specialises in the manufacture of parts for electrical and electronic equipment. This consists in the main of mass assembly work, which calls for low-skill female labour as mentioned above.

It is a very up-to-date establishment, with modern architecture, situated in the suburbs of Munich, near green spaces where the company has built housing. Special bus routes bring the workers there. Meals are served in a modern canteen.

1. The Labour Force and its Structure

The increase in numbers was very sharp until 1960, since when it has slowed down somewhat. The total personnel figure nearly quadrupled in eight years - that of wage earners a little more than quadrupled, that of salaried employees multiplied by 3.3. Thus, unlike the group as a whole in the establishment, the proportion of wage earners increased; that of salaried employees fell from 32 per cent. in 1956 to 27 per cent. in 1964.

As this establishment specialises in light manufacture, which requires little skill, employment has features very different from those observed in the group. The proportion of women, young persons and foreigners is much greater. Women make up 42 per cent. of the personnel (on 31 March 1963) and foreigners; 24.5 per cent., 37.5 per cent. of the men and 41.4 per cent. of the women are under 25 years of age; 28 per cent. of the young workers and 13.8 per cent. of the men are foreigners.

2. Supply of Unskilled Labour

Offers of labour for the undertaking come mainly from young people, women and foreigners. In order to attract personnel the group has built unmarried workers' houses in Munich for all its establishments. The growth of housing capacity and its distribution between Germans and foreigners since 1960 show the change in the supply of female labour to the advantage of the foreigners. (Not in the one establishment which we visited, but in all the establishments in Munich.) In 1964, 2,300 women were accommodated and only 424 men (of whom 120 were foreigners).

Women Workers Accommodated on
on 1 October (1 July for 1964)

Year	1960	1961	1962	1963	1964
Germans	624	910	924	728	640
Foreigners	73	472	867	1,498	1,657
Total	697	1,382	1,791	2,226	2,297

The firm is thus using its housing capacity more and more to attract female labour from abroad. However, 300 men were accommodated in 1964; these were probably apprentices.

Conclusion

The importance of these new categories shows the meaning which must be attached to high rates of turnover. In a large diversified labour market, such as that of a big modern urban area and its rural extensions, the work of flow, manufacture and assembly does not call for skill or great stability. Good supervision makes it possible to adapt the new arrivals rapidly and to fit them in. An inter-firm turnover, whether seasonal or not, is an inconvenience which can be overcome by forming a nucleus of highly-skilled stable workers. For this alone, high wages and big social benefits are justified from the employer's standpoint.

However, sources of unskilled labour must exist. In Germany, at the present time, the foreigners are the main source, even as regards women, and the high percentage of this class shows that it can be socially and economically adjusted.

CASE STUDIES FROM ITALY

A LARGE GROUP OF COMPANIES

The group is so large, complex and multifarious that this cannot, properly speaking, be a case study at all. However, the following observations, relating to a level half-way from the nation to the undertaking, may give a realistic picture of conditions often met with in Italian industry.

The group was founded in 1888. Its capital at a recent date amounted to 180,000 million liras (300 million dollars); this has just been raised to 257,000 million liras (410 million dollars); the total reserves amounted to 74,000 million liras (120 million dollars) on 31 December 1963. The group deals with mineral products (pyrites, sulphur, bauxite, fluor, marble, etc.), chemical products (pigments, fertilisers, explosives, carbon derivatives, plastics, pharmaceutical products, etc.), artificial textiles, metal products (aluminium, zinc, lead) and electrical energy. Its undertakings and establishments are scattered throughout the country in urban or in rural areas, according to the particular operation.

The growth of the group is revealed in every aspect: business turnover, profits (except in 1963) and employment.

The following table shows the numbers employed, year by year, since 1954.

Year	Wage earners	Salaried Employees	Management
1954	40,127	7,987	486
1955	40,606	8,270	500
1956	41,263	8,497	514
1957	41,094	8,657	522
1958	39,167	8,685	524
1959	38,931	8,943	549
1960	40,762	9,983	565
1961	45,103	11,516	629
1962	46,668	12,356	696
1963	46,760	11,763	676

Between 1954 and 1963 the number of wage earners thus increased by 16.5 per cent., of salaried employees by 47.3 per cent. and of management by 39.1 per cent.

Wages have considerably increased during the last five years (it will be remembered that the cost of living, which was steady until 1960, increased by 2 per cent. in 1961, 6 per cent. in 1962, 8.5 per cent. in 1963 and probably some 8 per cent. in 1964; in other words, by 17 per cent. between 1959 and 1963 and by about 26 per cent. between 1959 and 1964).

Wages, Salaries and Labour Costs, 1959-63
(in liras)

Year	Average hourly earnings (wage earners)	Average hourly cost to undertaking (per wage earner)	Average monthly earnings (salaried employees)	Average monthly cost to undertaking (per salaried empl.)
1959	383.20	543.90	165,871.00	204,644.00
1960	398.20	563.20	169,034.00	209,000.00
1961	437.20	617.10	179,879.00	223,785.00
1962	496.50	710.60	196,982.00	247,810.00
1963	572.10	833.80	217,389.00	277,138.00

Thus, between 1959 and 1963 average direct hourly wages increased by 49.3 per cent. and average monthly earnings of salaried employees by 31 per cent.: the improvement in purchasing power was therefore substantial, though there was some reduction (for wage earners) in weekly hours of work (about 6 to 9 per cent.).

The personnel services of the group have also reported some reduction in the average age, which fell (all categories, the two sexes together) from 40.01 years in 1959 to 39.24 in 1961 and 38.59 in 1963. This is due to the engagement of a large number of young people (60 to 70 per cent. of those taken on since the beginning of 1961 were under 25).

Despite a well-organised system of workers' welfare within the group (including holiday camps for the children), there has been a big increase in turnover (truly reflecting that of the whole Italian economy). The following are the figures for voluntary separation (shown as percentage of the average number employed in each year):

1953	1.00	1959	1.00
1954	1.20	1960	2.20
1955	3.00	1961	3.50
1956	2.10	1962	4.30
1957	2.00	1963	5.80
1958	1.80		

i.e.: average 1953-58 - 1.85 per cent.
average 1959-63 - 3.36 per cent.

The first figures for 1964 indicate that voluntary separations declined during the early months of the year, probably because activity slowed down in general and it is not easy for the workers to find better-paid jobs elsewhere.

The employment of manpower of recent rural origin (southerners in the newly-established chemical plants) "has raised a number of difficulties due to lack of skill and factory experience (in particular, difficulty in making up three eight-hour shifts for continuous work). In spite of these remarks the personnel officers agreed that adjustment had in general been satisfactory. The group feels that the State should make provision for better general vocational training and should develop low-rent housing construction in order to encourage the settlement of rural migrants in industrial centres. For its part, the group has set up a large number of works schools attended by thousands of wage earners and salaried employees (there were 5,557 enrolments in the period 1954-1957) and - with the aid of public institutions (INA Casa, Instituti Case Popolari, etc.) - has made some 10,000 dwellings available to its personnel.

A LARGE INDUSTRIAL FIRM IN NORTHERN ITALY

In order to respect the anonymity requested by the firm, we refer to this large industrial undertaking, producing a wide range of products, as X.

The business turnover of X has risen faster than the national or regional over-all indices (gross product or industrial output); the firm is go-ahead and prosperous. Table I shows the trend since 1953:

Table I: Index of Business Turnover

1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
100	112	126	138	142	152	178	222	261	321	380

Having regard to the rise in prices (retail prices rose by 33 per cent. between 1953 and 1963, wholesale prices by 7 per cent.) the real volume of sales more than trebled.

The numbers of wage earners and salaried employees also showed a regular increase over the same period (Table II):

Table II: Numbers of Wage Earners and Salaried Employees
(Indices)

	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
Wage Earners	100	100	105	107	110	108	113	131	149	171	180
Salaried Employees	100	106	115	125	132	133	132	137	150	165	175

Expanding output, a growing work force and sharply rising productivity thus characterise firm X. The demand for labour was met without much difficulty in the lower grades, but this was not so at the higher levels. To quote the personnel manager: "Owing to the rapid expansion of the firm since 1953, manpower needs have increased at all levels. However, technological changes have necessitated steadily rising standards of skill, which make it difficult to recruit employees in the numbers and of the standards required from outside. This applies especially to skilled workers, design technicians and engineers".

For many years the factory school had concentrated entirely on training juveniles who would subsequently enter the firm as skilled workers. But for some years now this has been found insufficient, and five years ago the facilities were made available to adults as well, e.g. special training for technicians and senior supervisors, further training for foremen at all levels, language classes for the office staff and vocational training courses for labourers and unskilled workers (300 of the latter attended courses in 1963).

Growing numbers of labourers were recruited from the country districts (Table III):

Table III: Workers of Recent Rural Origin as Percentage of New Hirings
(1959-63)

1959	1960	1961	1962	1963
6.6	7.8	16.5	17.7	12.7

"Using this labour", the personnel manager says, "causes a number of initial difficulties (such as settling down in the new environment and job), but after the first stage these workers have much the same output as those with long experience of industrial work".

Until 1963 (but not in 1964, according to the first reports) the rate of labour turnover showed a marked increase. Table IV below gives the main figures available on the subject.

Table IV: Voluntary Departures and Rate of Turnover

	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
	Voluntary Departures (Indices)										
Wage Earners	100	160	202	219	206	232	233	280	415	618	861
Salaried Employees	100	171	123	193	225	256	370	374	381	416	519
	Rate of Turnover (Percentage of annual work force)										
	4.6	7.0	7.3	6.4	6.1	5.7	4.9	5.4	7.3	8.8	10.6

The great increase in departures is partly due to the retirement of older employees.

Without favouring turnover, the management of firm X establishes that this higher turnover, because it mainly involves the lower grades, enables the work force to be adjusted to the need without dismissals (it will be recalled that Italy is going through a period of economic stabilisation and, in the case of firm X, this has meant a slight fall in output).

In conclusion:

(1) the recruitment of labour from rural districts has not involved any acute problems;

(2) the factory school has greatly expanded vocational training facilities for adults and stress is being laid on giving young workers appropriate types of skill;

(3) higher turnover makes the employment situation more flexible by enabling the firm to avoid dismissals when it has to curtail its work force, as is the case at present.